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TODAY: HEALTH SCIENCE Depressed Children, Page 12

Seoul Gets $55 Billion in IMF Aid

A Humbled Nation Accepts Fund's Largest-Ever Rescue Plan

By Andrew Pollack
New York Times Service

SEOUL — South Korea agreed to terms on Wednesday for the largest international economic rescue ever — a $55 billion loan package that should help the heretofore fast-growing nation pay its debts, but at the cost of its pride and autonomy.

After several days of tense negotiations in which an agreement seemed to slip out of reach, the International Monetary Fund, the leader of the bailout, said it would provide South Korea with $21 billion in standby credits. The World Bank promised to provide $10 billion and the Asian Development Bank $4 billion.

The United States and several other nations agreed to provide an additional $20 billion if the initial money from the international organizations proves insufficient. Some $5 billion will come from the United States, $10 billion from Japan, and the rest from Australia, Britain, Canada, France, Germany and possibly others.

IMF funds, already strained, face singular pressure. Page 13.

The managing director of the IMF, Michel Camdessus, who arrived here Wednesday morning to complete the negotiations, called the plan "a strong economic program that provides for a decisive and welcome response to the country's present financial difficulties."

But for South Korea, which grew from an impoverished nation to the world's 11th-largest economy, it marked the humbling end of the economic miracle and the beginning of a period of what President Kim Young Sam has described as "bone-carving pain." It was only last year that South Korea proudly joined the Organization for Economic Cooperation and Development, the club of advanced nations.

"I have come here to beg the forgiveness of the Korean people," the finance minister, Lim Chang Yuel, said in a nationally broadcast speech Wednesday night. "Please understand the necessity of the economic pain we must bear and overcome."

South Korea is the latest and largest of the so-called Asian tiger economies to fall victim this year to sharp devaluations of its currency and soaring debts. The amount of money available to Korea is larger than the $17 billion

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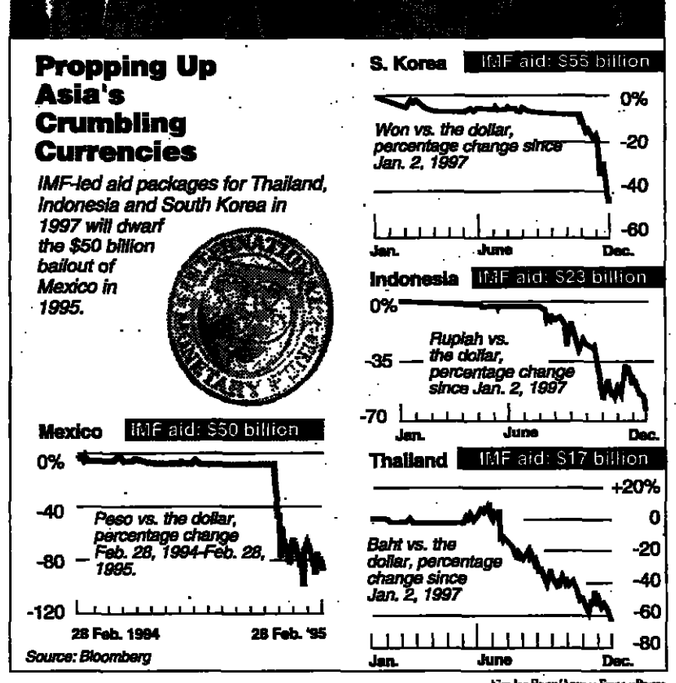

Kim Jae Hwan/Agence France-Presse
Mr. Lim and Mr. Camdessus on their way Wednesday to meet President Kim.

Pressure On Chaebol: Change Now Or Break Up

By Don Kirk
Special to the Herald Tribune

SEOUL — From the black-suited executives in lavish suites of South Korea's leading conglomerates to the white-shirted salarymen working at the seas of desks on the floors below, the reaction Wednesday to news of the IMF emergency loan was the same: How could a group of foreigners here for just a few days dare challenge all they had fought to build for two generations since the Korean War?

The huge conglomerates of South Korea Inc., the engines that built the world's 11th-largest economy, believe they have been targeted for dismantling by foreign forces.

"Dissolving chaebol, an integral part of Korea's traditional culture, is tantamount to turning our national economic foundation over to advanced countries," said a spokesman for Samsung Group as the International Monetary Fund agreement was announced Wednesday.

"We are afraid of what they are doing," said Lee Gong Gyu, a section chief in the headquarters of the Hyundai group of companies, a vast *chaebol*, or conglomerate, which started as a side-street garage and grew into an empire of more than 40 companies that construct everything — as its ads proudly proclaim — "from chips to ships."

"We know the IMF is urging something," Mr. Lee said. "The chaebol is going to have to change to survive."

Survival is indeed an issue for many of the chaebol. Companies from eight of the top 50 chaebol have gone into bankruptcy protection this year. Several other chaebol are widely believed to be in danger.

Just what the IMF wants South Korea to do about the country's mighty chaebol is far from clear, however. Details of the agreement have yet to be revealed.

Kim Young Sop, senior presidential secretary for the economy, insisted Wednesday that there was "no discussion of the dismantling of conglomerates or the forcible merger of banks." Such assurances, however, did little to counter

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In Kyoto, Greenpeace Meets Its Darth Vader

Lobbyists for Bigger and Better Emissions Question Whether Global Warming Exists

By Kevin Sullivan
Washington Post Service

KYOTO, Japan — J.R. Spradley Jr., a Washington lawyer in a nice suit, a sharp haircut and tasseled loafers, is the kind of guy who makes environmentalists crazy. He tells them that there is no scientific proof that global warming exists, that it's the "emperor's new clothes" and that what they're trying to do at this week's global climate conference threatens to "wreck the entire world economic system."

Mr. Spradley is a paid consultant for a major electric power-producers organization. He is also one of more than 800 registered industrial lobbyists here this week, working hard to derail an international global warming treaty that environmentalists say is critical for the Earth's future.

In this conference hall full of environment ministers, environmental activists, recyclers, bicyclists, solar-powered coffee-makers, windmill enthusiasts and a young English fellow who lived in a tree house for three months to protest a shopping mall development that threatened a forest, Mr. Spradley is about as popular as an alligator in a wading pool. He knows that to environmentalists he's a bad guy, but he says that industry's message needs to be heard.

"How many people were following Moses when he started? And there was only one guy saying the Earth was round in the beginning; it's nothing to be ashamed of," said Mr. Spradley, who represents the Edison Electric Institute in Washington.

Delegates from more than 150 countries are gathered in Kyoto this week with one main goal in mind: to do something about global warming. While there is wide disagreement about the extent of the problem and the best way to combat it, there is a broad consensus among countries from the South Pacific to the Arctic Circle that some kind of treaty is needed from this 10-day conference.

There is also an understanding, which is driving huge lobbying efforts on all sides of the question, that what happens here could affect the shape of energy production and use for decades to come, and the global climate forever. Billions of dollars are at stake, thousands of jobs stand to be made or lost and lifestyles around the world could improve or decline because of the action taken in Kyoto.

The conference is about as "green" an event as is imaginable, an environmentalists' paradise. Every piece of paper is recycled stock and video screens drone on endlessly about the dangers of climate change. Environmental scientists and activists from around the world, many of them dressed in khakis and baggy sweaters, hold forth with stacks of statistics and research papers. Local hotels tout their own environmental awareness, asking guests to reuse towels to cut down on the use of detergents in the laundry. Even the young Japanese workers offering information and directions to the conference hall toilets wear bright green jackets.

It's not a crowd that thinks much of

See CLIMATE, Page 4

Reno Averts The Worst For Clinton

White House Doesn't See End of 'Discussion' On Campaign Funds

By David S. Broder and Peter Baker
Washington Post Service

WASHINGTON — Even before the decision was announced, President Bill Clinton issued strict instructions to his chief of staff on how the White House should react if Attorney General Janet Reno rejected an outside investigation into fund-raising calls: "People should not be gleeful."

With good reason, according to politicians and analysts in both parties. By declining Tuesday to seek appointment of an independent counsel, Ms. Reno spared Mr. Clinton and Vice President Al Gore a potential disaster. But the controversy surrounding the financing of their 1996 campaign seems likely to dog Mr. Clinton for the remainder of his presidency and still threatens Mr. Gore's bid to succeed him.

"I frankly don't think this matter ends," said the White House press secretary, Michael McCurry.

"It will continue to be a subject of discussion," he said, adding that the issue remains a matter of inquiry for the Justice Department. "It will continue to be a source of partisan political attacks on the president and continue to be an item which some news organizations choose to investigate. I mean, I don't think anything is going to change much, to be candid."

The dour assessment of what was otherwise welcome news grew in part out of the realization that even without a special prosecutor, by its own count the White House is under investigation on a variety of fronts by no fewer than 20 Republican-led congressional committees or subcommittees.

But after thousands of hours of investigation, Ms. Reno said there was no reasonable basis to believe that Mr. Clinton or Mr. Gore had violated a century-old law against campaign fund-raising on federal property. Although

Paul Richards/AFP
No one "exonerated," Reno said.

both officials made calls from the White House, Ms. Reno said the law did not apply because the calls either were made from residential areas, did not involve specific solicitations or did not raise actual campaign money.

She declared that the final determination was hers alone and that she was not influenced by politics or any outside pressure.

The attorney general emphasized that her finding was limited to the question of telephone solicitations.

"Any decision not to ask for an independent counsel does not mean that a person has been exonerated or that the work of the campaign finance task force has ended," Ms. Reno said, vowing, "We will continue to vigorously investigate all allegations of illegal activity."

There was also a political catch. While Ms. Reno found no reason to trigger the independent counsel statute, the director of the FBI, Louis Freeh, made known his disagreement with that judgment, handing Republicans and other critics a tailor-made argument to dismiss her move as partisan.

Within minutes of her announcement, Ann McBride, president of the self-described citizens lobby Common Cause, upbraided Ms. Reno for "turning a deaf ear" to the head of the na-

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Berlusconi Guilty but Won't Serve Time

By Celestine Bohlen
New York Times Service

ROME — Silvio Berlusconi, the former Italian prime minister, was convicted Wednesday on charges that he falsified the price of a film company that was bought by his Fininvest company in 1989.

Mr. Berlusconi, a media magnate who is the leader of Italy's center-right opposition, was sentenced to 16 months in jail, which he will not have to serve under an Italian law that suspends most prison terms under two years. Mr. Berlusconi will appeal the verdict, and his political allies immediately issued public statements of support.

Still, the conviction, handed down by a court in Milan, marked the first conclusion of a string of court cases faced by Mr. Berlusconi and his business associates on charges ranging from payment of bribes to creation of illegal slush funds.

It also comes at a low moment for his center-right coalition, known as the Freedom Alliance, which has just taken a beating in local elections held across Italy this month. The center-right's poor showing in several major cities, from Venice to Palermo, has only raised new doubts about Mr. Berlusconi's leadership of a coalition that had already showed signs of fraying at the edges.

It has been three years since Mr. Berlusconi's seven-month old government, hailed in its day as a fresh start for Italian politics, collapsed, paving the way for the election in April 1996 of Italy's first popularly elected center-left government.

In the last year, many of Mr. Berlusconi's political supporters have privately admitted that the conflict of interest between his business empire, which includes television stations, sports teams and supermarkets, and his political ambitions has become a liability, particularly as his judicial difficulties increase.

Mr. Berlusconi himself has taken a step back with recent statements that he would not offer himself as a candidate for prime minister in the event of new elections. But with predictions that Italy's center-left government, headed by Prime Minister Romano Prodi, is now set for a long period of stability, the next national elections seem a long way off.

Mr. Berlusconi has long claimed that he has been the victim of a vendetta by Milan's public prosecutors, who he claims have used their judicial powers to further political ends. In a statement carried Wednesday night on one of Italy's three Fininvest-controlled stations, Mr. Berlusconi called the Milan court's ruling "incomprehensible," saying it was proof of the prejudice against him.

In contrast to the Berlusconi channel, which buried the news item deep in its evening broadcast, one of the state-owned channels gave it prominent mention.

See ITALY, Page 8

Gorbachev Raises Dough at Pizza Hut

By Alessandra Stanley
New York Times Service

MOSCOW — The last leader of the Soviet Union was unable to prevent the collapse of communism. So now he has conspicuously taken his place on the winning side.

Mikhail Gorbachev, 66, has shot a commercial endorsement for Pizza Hut. Mr. Gorbachev agreed to sit down at a table with his granddaughter in the Moscow outlet of Pizza Hut and pay tribute to capitalism and its greasiest offshoot: American fast food.

Mr. Gorbachev said he was not exactly sure how much he was being paid, but some reports indicated his fee was close to $1 million.

Explaining that he badly needed the money to finance his foundation, a research institute that bears his name, Mr. Gorbachev said in an interview Tuesday that he had declined many other offers to endorse products but made an exception for Pizza Hut.

"I thought that it is a people's matter — food," he said. "This is why if my name works for the benefit of consumers, to hell with it — I can risk it."

The script is deferential; indeed, it could be viewed as Mr. Gorbachev's ultimate fantasy. He arrives by limousine at a Pizza Hut and some patrons notice him. An older man grumbles, "Because of him, we have economic confusion." A younger man disagrees, saying, "Because of him we have opportunity."

Patrons continue to argue, until an older woman pipes up, "Because of him we have things like Pizza Hut." The patrons rise and give a standing ovation to their former leader, holding pizza slices aloft in tribute.

Mr. Gorbachev responds with a dignified smile. He does not actually eat a

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Edi Engler/The Associated Press
There are no plans to broadcast Mr. Gorbachev's ad in Russia.

Canada Peddling Troubled Reactors Round the World

4 Nuclear Units Are Forced to Close in Ontario Over Maintenance Problems, but Sales Continue

By Anthony DePalma
New York Times Service

TORONTO — On the blustery shore of Lake Ontario, in Canada's most heavily populated region, four elderly nuclear reactors bedeviled by leaks, failures and operators who sometimes drank beer or smoked marijuana on the job are being shut down because they cannot be safely run by one of the largest utility companies in North America.

At the same time, workers are busy excavating a huge site in China, about 95 kilometers (60 miles) south of Shanghai, where two Canadian reactors similar to the troubled ones in Canada are being built under Canadian supervision.

The four reactors on Lake Ontario, along with three more farther north on the edge of Lake Huron, are being mothballed because their operator, Ontario Hydro, acknowledged last summer that it does not have the money or the proper management to run them safely.

The basic design of the Canadian reactors is unique. Although they are simpler than American-type reactors to build, experts now agree that they are far more complex to keep running safely. Maintaining the units has put enormous demands on Canadian operators with solid technical backgrounds and access to the latest equipment and designs.

For the last 40 years, however, the same type of Canadian-designed and built reactors has been sold to countries around the world, including Romania, India and Argentina, that have far less money or technical expertise than Canada and already are struggling to keep the reactors safe. And because the reactors are unlike any others, the number of qualified operators and knowledgeable inspectors is limited.

The reactor in Argentina is regularly shut down to repair leaking pipes, and heavy water leaks at the reactor in South Korea have occurred so often that the operator, Korea Electric Power Corp., has ordered plant workers to wear masks packed with ice to block fumes.

The closing of seven of Ontario Hydro's 19 operating reactors has underscored the difficulties that Canada itself has had in keeping the reactors running safely. It has also raised questions about Canada's

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AGENDA

U.S. Exporters Hit by Asia Crisis

WASHINGTON (AP) — American manufacturers and farmers are starting to feel the consequences of the financial problems in Asia, the Federal Reserve said Wednesday.

The Asia crisis had "adversely affected demand" for exports, the survey said, in the first evidence of the effects of the Asian crisis on the U.S. economy. Page 14.

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The IHT on-line www.iht.com

The Dollar

New York	Wednesday @ 4 P.M.	previous close
DM	1.7715	1.7775
Pound	1.684	1.6815
Yen	128.725	128.645
FF	5.9327	5.9478

The Dow

	Wednesday close	previous close
+13.18	8032.01	8018.83

S&P 500

change	Wednesday @ 4 P.M.	previous close
+5.09	976.77	971.68

Newsstand Prices

Bahrain	1.000 BD	Malta	55 c
Cyprus	C £ 1.00	Nigeria	12800 Naira
Denmark	14.00 DKr	Oman	1.250 OR
Finland	12.00 FM	Qatar	10.00 QR
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10 SR
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$40.00

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Crime / **Busman's Holiday of a Lunch**

Society of Armchair Sleuths Picks at Unsolved Mysteries

By Ronald Smothers
New York Times Service

PHILADELPHIA — Amid the cherry wood paneling and 17th-century English-style elegance of the Grill Room of the Downtown Club here, about 80 men and women were gathered over lunch to discuss and dissect a brutal unsolved murder of 15 years ago.

The case involves a girl, between 14 and 18 years old, whose decomposing body was found in a ravine alongside a cemetery in Blairstown, New Jersey, in summer 1982. She was wearing a red V-neck pullover and a red, white and blue print wraparound skirt with a peacock motif along the borders. Around her neck was a gold-colored chain with tiny white beads and a 14-karat gold cross. Her face had been bludgeoned beyond recognition with a blunt object.

The girl has never been identified. No weapon was ever found, and no arrest ever made in the killing, which became known as the Princess Doe case.

The lawyers, former prosecutors, current and former federal agents and forensic specialists had gathered to toss out ideas for new approaches in the case; suggest scientific tests that might shed new light, reorder the facts to challenge the obvious and speculate on a psychological profile and possible motive of a killer in the slaying in rural Warren County.

It was a meeting of the seven-year-old Vidocq Society, a private group that meets every other month and takes on unsolved murder or disappearance cases from around the United States. In many instances, the trail has grown cold. But in others, the group assists the local authorities who are still investigating or, at the request of victims' families, provide ideas for faltering investigations.

This is not a gathering of a ragtag bunch of Baker Street Irregulars playing dutiful amanuensis to Sherlock Holmes's genius. Nor are they a bunch of good-natured Archie Goodwins, filling the role of narrator and legman to the sedentary but brilliant Nero Wolfe in the mystery novels of Rex Stout.

It is a group that collectively has hundreds of years of crime-solving experience. Their gatherings are a busman's holiday for people who concede that they just cannot help taking their work home with them.

Already, they have quietly assisted on about 100 cases, resulting in some arrests and convictions. More often, their involvement has prodded investigators into new ideas and approaches.

The group is named for Eugene Francois Vidocq, a rakish 19th-century criminal-turned-detective who helped start, and later headed, the first detective squad for the Paris police.

Vidocq was a master of disguise, a fan of scientific tools in crime solving and a devotee of strict organization. He has been credited with introducing undercover work, ballistics testing and extensive record keeping into police work, and is thought to have been the inspiration for the detective Dupin in Edgar Allan Poe's "Murders in the Rue Morgue." He is so much a part of French popular culture that he was the subject of comic books and a television cartoon series in the 1960s.

The Vidocq Society was started by William Fleisher, a former police officer and FBI and Customs Service agent who is now a polygraph expert; Frank Bender, an artist and forensic sculptor, and Richard Walter, a nationally known forensic psychologist who works with the Michigan Department of Corrections.

The combination makes for some odd chemistry in crime solving, as Mr. Fleisher's methodical approach and bulldog tenacity mixes with Mr. Bender's intuitive, artistic sensibility, and Mr. Walter's wide-ranging mind, which searches for underlying patterns.

"The three of us sat down for lunch one holiday and were kicking old cases, solved and unsolved, back and forth, and the next thing I knew it was dark outside," said Mr. Fleisher of the men's first meeting. "I suggested that we get a bunch of other people with similar interests together and do this more often. I sent out 28 letters and 26 people wrote back that they were interested."

Today, the society has 82 regular members, matching the life span of its namesake, and more than 100 associate members, a designation created to accommodate the wide interest in joining the group. The three co-founders recently optioned the rights to their lives and the society's story to a Hollywood production company that is developing a script for a movie.

For members like Jeffrey Miller, a local defense lawyer and former federal prosecutor, it is "an exciting, fraternal group, not your normal gray lawyers' group."

It aids law enforcement agencies, he said, which are often too busy with new cases to focus on cold cases, and comforts families trying to come to grips with the fate of a slain or missing loved one.

"And because we aren't doing this as some competing law enforcement agency but as a private group," said Joseph O'Kane, the group's executive director and a customs agent, "there is little resentment from other investigators when we get involved. What we have found is that some cases can be solved rather easily with the concentrated expertise we can bring in."

Laura Pedrick/The New York Times

Frank Bender, a forensic sculptor and one of the three co-founders of the Vidocq Society, in his studio with a reconstruction bust of a crime victim.

The group is credited by a Lubbock, Texas, assistant district attorney with buoying demoralized investigators in the 1991 disappearance of a car stereo installer, Roger Scott Dunn, and providing the expert help that led to a murder conviction in the case.

Theresa Baus, the sister of a Little Rock, Arkansas, restaurant manager murdered in 1991, said the society's work helped acquit a suspect who she and other family members felt was innocent, assuaging their fear that "the conviction of the wrong person would forever prevent the capture of the right person." The killer remains at large.

The society suggested eight years after the 1984 murder of a shoeless and sockless Drexel University student that the police consider foot fetishists. That led to the arrest and conviction of a former security guard who had been dishonorably discharged from the military for stealing women's sneakers.

Over coffee and dessert at the lunch, Mr. Bender, the sculptor, recalled what was known about the Princess Doe case, presenting vivid slides of the battered and decomposed head, and showed a picture of a bust he had made, for which he had reconstructed her appearance. He also introduced several tidbits of evidence that might contribute to a profile of a suspect.

Joining the presentation was another member of the society, Dr. Haskell Askin, a forensic odontologist who has sought to match the body's teeth with the dental records of more than 30 missing girls.

Mr. Walter, the forensic psychologist, called the crime "power assertive" rather than sexual, based largely on its brutal nature. It was "about dehumanizing her, taking away her face," he said, adding that he thought that killers of this type consider themselves "super-John Wayne types and see themselves as superior to others."

Throughout the meeting, members commented from the floor as others made presentations. Some went with the momentum of Mr. Walter's analysis and built upon it. Others, like Donald Weinberg, a humanities professor at Community College of Philadelphia, challenged Mr. Walter's often neat constructions and tried to rein in Mr. Bender's intuitive leaps.

"Our client is justice here," Mr. Weinberg said. "We're not here to nail any one person."

Seated in the audience was an invited guest, the Warren County prosecutor, John O'Reilly, who took notes throughout the presentation. Afterward he said he was surprised at some of what he heard. He said that the case was very much alive and that as recently as September he had sent two investigators to Ocean City, Maryland, to pursue a tip on the possible identity of Princess Doe. Nothing came of it, he said.

As for the society members' speculation, Mr. O'Reilly said, "I may have heard a few things here that I might want to go back and double check."

More than an hour after the lunch ended, Mr. O'Reilly was huddled in a corner in whispered conversation with Mr. Walter.

Panel Blames Ferry Design And Crew for '94 Disaster

The Associated Press

TALLINN, Estonia — An international commission investigating the 1994 Estonia ferry disaster said Wednesday that design flaws and crew inaction were instrumental in the death of 852 people when the ship sank in a storm in the Baltic Sea.

The final report on Europe's worst maritime disaster since the end of World War II said improperly designed locks allowed storm waves to tear the ship's bow door off. It also said faster reaction by the crew could have increased the Estonia's odds of survival.

But the Swedish-Finnish-Estonian commission is widely distrusted because of repeated delays in issuing the report and the resignation of its former chairman. The German company that built the huge ferry, the Meyer shipyard, formed its own commission, which was often at odds with the international group.

The Estonia sank Sept. 28, 1994, on its way to Stockholm from Tallinn when waves of up to four meters (13 feet) ripped off its visor-style bow door and water poured into the vehicle deck. The ship sank in about 45 minutes off the Finnish coast in the middle of the night. Many who made it off the ship died quickly in the frigid waters of the Baltic Sea. A total of 137 people survived.

The final report issued Wednesday upheld many of the conclusions in a 1995 preliminary report, which said the bow door's locks failed because of poor construction.

The bow-door visor attachments "were not designed according to the realistic design assumptions," the commission wrote in a 230-page final report. It said the door locks should have been five times stronger.

The report said that while the Estonia was basically seaworthy and properly manned, its officers were slow to respond to signs of trouble, such as reports of strange sounds from the bow.

It also that ship's alarms had not been sounded until five minutes after the Estonia began listing heavily. By then, it was difficult for passengers to escape, the report said.

A separate report commissioned by the Meyer shipyard and made public Monday said the bow-door failure apparently was a result of poor maintenance of the ship and excessive speed.

Trade Union Strike Shuts Down Israel

Reuters

TEL AVIV — About 700,000 workers began a nationwide strike Wednesday in Israel, shutting down the main international airport and the stock exchange in Tel Aviv, ports, banks, government offices and state-owned industries.

A labor court ordered most of the strikers back to work by the evening, pending a hearing Sunday, but the Histadrut Trade Unions Federation said it had not yet decided whether to call off the biggest walkout in Israel in years.

Asked if the strike had ended, the head of the union, Amir Peretz, said: "No, no, certainly not." He said the federation would meet with its lawyers to discuss the order.

Months of feuding between the union and the Finance Ministry over pension rights and privatization finally boiled over when the finance minister, Yaacov Neeman, made a remark that the unions saw as inflammatory. "We don't need enemies from within," Mr. Neeman said Monday. "We have here bombs that are not ticking, exploding homemade bombs." Mr. Peretz responded by ordering the strike.

Airlines changed flight schedules Wednesday so they could land before the strike shut down Ben-Gurion Airport outside Tel Aviv.

Trains were stopped and workers stayed away from government-owned firms, including defense industries.

Prime Minister Benjamin Netanyahu said that "like most Israeli citizens" he did not understand the reason for the strike. "It gives the Israeli economy a bad name," he said on Israel Radio. "There is no justification for this. It needs to stop now."

Mr. Peretz called the strike a "spontaneous expression of the rage workers feel" over Mr. Neeman's remarks. Mr. Neeman had apologized for his comments, saying he was not referring to the workers.

About 150,000 public sector workers struck for 24 hours Sunday, and talks since have not resolved the dispute.

Unesco May Add Pompeii To List of World Treasures

Reuters

NAPLES — The United Nations Educational, Scientific and Cultural Organization will announce on Thursday new sites to be added to its list of exceptional world treasures to guarantee them special protection for posterity, a spokeswoman said.

One of the stars of the list of 46 candidates being studied by Unesco's World Heritage Committee at a weeklong meeting in Naples is the nearby ancient Roman site of Pompeii, destroyed by a volcanic eruption in A.D. 79.

"Pompeii is going to be chosen for sure," a Unesco source told Reuters.

The list of candidates includes the ancient Chinese city of Ping Yao, the fortified city of Carcassonne in southern France, the historic center of Riga in Latvia and Lumbini in Nepal, which is hailed as the birthplace of Buddha.

TRAVEL UPDATE

Lufthansa to Track Down Phones

FRANKFURT (Reuters) — The German airline Lufthansa is testing a small electronic device to help it track down passengers who jeopardize flight safety by using mobile phones.

Mobile phones can interfere with an aircraft's electronics systems, and airlines usually remind passengers to turn them off before takeoff.

Report Calls for Malaria Awareness

CHICAGO (AP) — As many as 30,000 North American and European travelers contract malaria annually, federal researchers said in a report in Wednesday's issue of The Journal of the American Medical Association.

Doctors and travelers need better education about avoiding malaria abroad because the disease has become drug-resistant in some places, and knowledge is still evolving about antimalarial drugs, the report says.

An Italian rail strike called for Thursday to protest plans to cut about 25,000 jobs was narrowly averted when unions and management reached an agreement. Officials said the pact, reached late Tuesday, did not give any specific numbers for job reductions. *(AFP)*

Continental Airlines will begin flying from the New York City suburb of Newark, New Jersey, to Moscow next spring, regardless of whether it gets approval for an alliance with the Russian airline Aeroflot. *(Reuters)*

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Jetstream — Unseasonably Cold — Unseasonably Mild — Heavy Rain — Heavy Snow

North America Abundant moisture will be moving onshore along the Pacific Coast Friday and Saturday. Mexico will be warm and mainly dry. Western Canada will be rather mild and dry, while eastern Canada and the northeastern United States will be very cold with snow showers.

Europe Friday and Saturday will continue to bring clouds and rain to the central Mediterranean and the Balkans. Heavy snow will continue to build the snow pack in the Alps. Milder air will flow up from the southwest and warm the British Isles. Sunny, windy and cool in Portugal.

Asia Very cold arctic air will surge southward over eastern China. Heavy snow will fall over Manchuria and North Korea. Winds circulating westward off the South China Sea will bring rain to the mountains of Indochina and southwest China. The Philippines will be seasonably warm.

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hos. W-Weather.

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Europe

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Algarve	17/62	6/43 sh	11/52	6/43 s
Amsterdam	3/37	0/32 pc	5/41	2/35 pc
Antens	8/46	-2/29 r	6/43	-1/31 sh
Athens	15/59	11/52 pc	16/61	13/55 c
Barcelona	4/39	-2/29 pc	6/43	-1/31 pc
Belgrade	3/37	-3/27 sn	2/35	-4/25 c
Berlin	1/34	-2/29 sn	-1/31	-3/27 pc
Brussels	2/35	-1/31 pc	4/39	1/34 pc
Budapest	4/39	1/34 sn	2/35	-2/29 sn
Copenhagen	0/32	-4/25 pc	2/35	-1/31 c
Costa Del Sol	18/61	8/46 r	10/50	2/35 s
Dublin	7/44	3/37 pc	10/50	5/48 r
Edinburgh	4/39	2/35 c	9/48	7/44 sh
Florence	6/43	2/35 r	7/44	1/34 sh
Frankfurt	1/34	-2/29 sn	-1/31	-4/25 pc
Geneva	-3/27	-5/24 sn	-2/29	-7/20 pc
Helsinki	-3/27	-8/18 pc	-3/27	-8/22 c
Istanbul	12/53	6/43 sh	10/50	7/44 c
Kiev	0/43	2/35 r	-3/27	-3/27 sn
Las Palmas	21/70	17/62 c	22/71	18/64 pc
Lisbon	14/57	2/35 pc	8/46	6/43 c
London	5/41	1/34 pc	5/41	3/37 c
Madrid	4/39	-9/16 sn	6/43	-5/24 pc
Mallorca	8/46	3/37 sh	8/46	3/37 sh
Milan	1/34	-5/27 sn	1/34	-4/22 c
Moscow	-3/27	-3/27 sn	-1/31	-3/23 sn
Munich	-2/29	-7/20 sn	-4/25	-9/16 sf
Nice	8/46	2/35 c	9/48	2/35 c
Oslo	-4/25	-7/20 s	-2/29	-5/24 c
Paris	3/37	-2/29 sf	3/37	-2/29 c
Prague	-1/31	-3/27 sn	-2/29	-7/20 sn
Reykjavik	5/41	4/39 sn	7/44	6/43 c
Riga	-1/31	-6/22 c	-9/29	-5/24 c
Rome	11/52	5/41 c	8/46	7/44 r
St. Petersburg	-3/27	-7/20 s	-4/25	-7/20 pc
Stockholm	-5/23	-7/20 pc	-2/29	-7/20 pc
Strasbourg	0/32	-4/25 sn	-2/29	-5/24 c
Tallinn	-2/29	-6/22 pc	-3/29	-5/24 pc
Tirtel	19/66	5/41 c	17/62	4/39 c
Venice	4/39	-2/29 sn	9/32	-4/25 c
Vienna	1/34	-1/31 sn	0/32	-5/24 sn
Warsaw	0/32	-3/29 sn	-1/31	-5/24 c
Zurich	-2/29	-5/24 sn	-2/29	-8/22 c

Middle East

Abu Dhabi	29/84	21/70 pc	29/84	19/66 sh
Beirut	22/71	15/59 pc	19/84	14/57 pc
Cairo	22/71	10/50 s	24/75	12/53 s
Damascus	14/57	4/39 pc	17/62	6/43 s
Jerusalem	18/61	6/43 s	17/62	8/46 s
Luxor	29/79	5/41 s	27/80	8/48 s
Riyadh	24/75	16/61 sh	18/64	8/46 sh

Africa

Algiers	14/57	11/52 sh	12/53	6/43 r
Cape Town	22/71	12/53 pc	22/71	14/57 pc
Casablanca	18/59	8/46 r	14/57	6/43 s
Harare	27/80	8/48 pc	28/79	10/50 c
Lagos	30/86	23/73 pc	30/86	24/75 pc
Nairobi	27/80	14/57 c	28/82	14/57 pc
Tunis	14/57	11/52 c	22/71	11/52 s

Asia

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Almaty	-5/24	-16/4 sf	-2/29	-9/16 s
Bali	33/91	23/73 pc	33/91	22/71 pc
Bangkok	29/84	21/70 c	29/84	21/70 pc
Beijing	8/46	1/34 s	8/46	2/35 pc
Bombay	31/88	21/70 pc	31/88	21/70 pc
Calcutta	24/75	16/61 pc	24/75	16/61 pc
Chiang Mai	25/82	15/59 c	28/82	18/61 pc
Colombo	29/84	23/73 sh	29/84	23/73 r
Hanoi	23/73	19/66 c	26/77	21/70 sh
Ho Chi Minh	32/89	23/71 pc	32/89	23/73 pc
Hong Kong	23/73	18/66 pc	24/75	20/68 c
Islamabad	18/64	5/41 pc	20/68	4/39 pc
Jakarta	30/86	23/73 sh	30/86	23/73 pc
Karachi	26/79	12/53 s	28/79	12/53 s
K. Lumpur	32/89	23/73 r	31/88	22/71 r
K. Kinabalu	28/82	23/73 sh	28/82	23/73 r
Manila	29/84	21/70 pc	29/82	21/70 pc
New Delhi	23/73	6/43 s	25/77	8/43 pc
Phnom Penh	29/84	22/71 pc	30/86	23/73 pc
Phuket	29/84	21/70 c	29/84	21/70 pc
Rangoon	29/84	18/64 pc	30/86	18/64 pc
Seoul	4/39	-2/29 pc	7/44	0/32 pc
Shanghai	12/53	10/50 r	17/62	17/62 r
Singapore	31/88	24/75 t	31/88	24/75 sh
Taipei	24/75	18/66 r	28/79	21/70 c
Tokyo	9/48	4/39 s	12/53	8/46 s
Vientiane	28/82	18/61 c	29/84	17/62 pc

North America

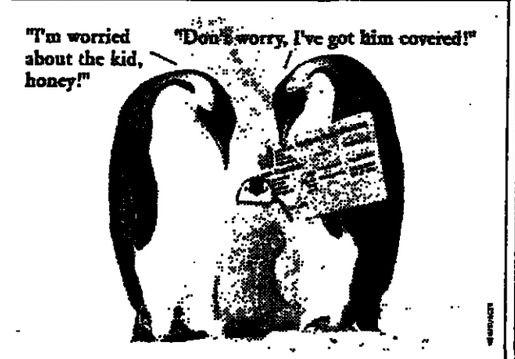
Anchorage	-1/31	-3/27 sn	2/35	-2/29 sn
Atlanta	13/55	0/32 pc	8/46	-6/24 pc
Boston	7/44	1/34 r	6/43	-3/27 pc
Chicago	1/34	-7/20 sf	-1/31	-7/20 c
Dallas	16/61	1/34 s	8/46	-1/31 s
Denver	8/46	-11/13 s	2/35	-11/13 pc
Detroit	2/35	-4/25 sf	0/32	-6/22 c
Honolulu	24/75	17/62 s	27/80	20/68 pc
Houston	19/66	4/39 s	13/55	1/34 pc
Los Angeles	20/68	12/53 sh	22/71	10/50 pc
Miami	28/82	18/64 sh	24/75	12/53 sh
Minneapolis	-9/22	-10/15 sf	-3/27	-9/16 pc
Montreal	1/34	-3/27 sn	2/29	-11/13 pc
Nassau	28/82	24/75 r	28/82	19/66 c
New York	8/46	3/37 sh	7/44	0/32 pc
Orlando	24/75	12/53 t	19/66	6/43 pc
Phoenix	20/68	6/43 s	21/70	8/46 s
San Fran.	17/62	10/50 sh	16/61	9/48 r
Seattle	11/52	3/37 pc	11/52	3/37 pc
Toronto	3/37	-3/27 sf	-2/29	-9/16 pc
Vancouver	10/50	4/39 pc	12/53	6/43 sh
Washington	12/53	3/37 c	9/48	-1/31 pc

Latin America

Buenos Aires	26/77	12/53 s	23/73	12/53 pc
Caracas	28/82	19/66 pc	27/80	20/68 pc
Lima	26/79	19/64 s	26/79	19/66 pc
Mexico City	22/71	9/48 pc	19/66	8/46 c
Rio de Janeiro	28/79	23/73 r	27/80	19/66 c
Santiago	28/79	6/43 s	27/80	9/48 s

Oceania

Auckland	16/61	9/48 pc	17/62	9/48 s
Sydney	25/77	21/70 pc	27/80	22/71 c



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THE AMERICAS

Clinton Race Initiative Sputters Into Action

By Michael A. Fletcher and Peter Baker
Washington Post Service

WASHINGTON — For six months, President Bill Clinton's campaign for racial reconciliation limped along with little action and little impact, even in the eyes of his own aides. But as he hosted his first town hall meeting on race in Akron, Ohio, on Wednesday, Mr. Clinton hoped to finally start the provocative "national conversation" he envisioned when he announced the effort last June.

For all the lofty sentiments expressed by the president when he kicked off the yearlong campaign in San Diego, White House aides acknowledge that goals were not clearly defined.

It wasn't until months after the San Diego speech that the White House assembled a staff to carry out the initiative. And the kinks are still being worked out. Flooded with calls and mail, John Hope Franklin, historian and chairman of the president's advisory board, did not get his own assistant until two months into the project and was not told that Akron had been selected for the first meeting until after it had been reported in the news media.

Just Tuesday, a former U.S. poet laureate, Rita Dove, turned down a White House invitation to take part in a race initiative event, Reuters reported, complaining that the White House knew little about her background.

The White House views the town hall meeting as the turning point that rescues the initiative and begins to give it more focus. During the session, aides said, Mr. Clinton planned to announce that over the next few months he would unveil an "opportunity agenda" to improve race relations with initiatives in education, housing, health and civil rights enforcement.

"I don't know that any of us has ever articulated" the goals until now, said the White House deputy chief of staff, Sylvia Mathews, who oversees the project and took a more hands-on role after the president became frustrated with its pace.

Yet even the newly defined goals lack the scope that some allies of the White House hoped to see when the initiative got under way. The new policies have been narrowly drawn.

One that Mr. Clinton planned to announce in Akron, for example, would create "education opportunity zones" modeled along economic development zones, providing financial incentives to 15 to 25 impoverished school districts that adopt dramatic reforms such as closing failing schools and ousting bad teachers.

"If we're having a national discussion on race at all, we all seem to be having very different conversations," said Kenneth O'Reilly, a University of Alaska historian who has written a book about presidents and race. "Clinton has his conversation, and that certainly ain't the same conversation that the opponents of affirmative action are having."

Jim Bourg/Reuters

Louise Woodward at the hearing Wednesday over her altered conviction in an 8-month-old's death.

Away From Politics

- **The prosecutors' appeal** of the dismissal of a British au pair's jury conviction in a murder trial will go directly to the Supreme Judicial Court of Massachusetts. Justice Ruth Abrams said the appeal against the judge's ruling, which freed Louise Woodward, could be presented to the full seven members of the top court in March, bypassing the Appeals Court. *(AP)*

- **Videocameras are entering** Los Angeles police patrol cars, six years after the videotaped beating of Rodney King rocked the department. Chief Bernard Parks plans to make the cameras standard equipment on new cruisers. *(LAT)*

- **For-profit health care should be ended,** more than 2,000 Massachusetts doctors, nurses and other health care professionals urge in an article in the new issue of The Journal of the American Medical Association, arguing that the rise of managed health care threatens the soul of American medicine. *(WP)*

- **Traffic accidents will soon be the world's** third-leading cause of death, U.S. experts have predicted, behind heart disease and strokes. Half a million people die in such accidents every year. *(Reuters)*

POLITICAL NOTES

Albright's Midwife Crisis

WASHINGTON — "Dear Mrs. Allbright," began the letter from a woman in Dewsbury, England. "It is a Sunday ritual for our family that we try to complete the crossword in the Sunday Express. One clue was: who is the Secretary of State in America? Not one of us could remember your name.

"That evening, my daughter went into labor with her first child. In the middle of a bad contraction she screamed, 'It's Madeleine Allbright.' Her husband and I knew what she meant but the poor midwife thought she was delirious. The labor proved to be long and hard but throughout it all she held on to your name. We yelled at her, 'Come on, you can do it, who was that woman?' and she yelled back: 'It was Bloody Madeleine Allbright.'

"Eventually she was delivered of a fine" baby. Named Madeleine? No, Sam. "I now cannot see you on TV or read about you in the press without thinking good old Madeleine."

Mrs. Albright read the letter at a senior staff meeting this week. Of course, if the family had known how to spell Albright, they could have finished the crossword in the Sunday Express. *(Al Kamen, WP)*

Gephardt Defines Principles

CAMBRIDGE, Massachusetts — The House minority leader, Richard Gephardt, Democrat of Missouri, sought in a speech here to become the voice for Americans who feel left behind by soaring corporate profits and stock prices by calling for government actions to soften the consequences of the free market.

In a speech laced with populist, class-conscious rhetoric, Mr. Gephardt recalled the turn-of-the-century era when the federal government dismantled monopoly corporations and instituted worker protections.

"We need a new progressivism for a new century," he said at Harvard University. "We must fight for a crucial, if limited, role for government as a positive instrument of our common interests and our common values."

The speech was Mr. Gephardt's most comprehensive recent statement of his political values. It was made as he ends a year in which he established himself as the leader of a competing wing of the Democratic Party — opposing President Bill Clinton on the budget agreement, tax cuts, relations with China and trade — and as he begins a year in which he will try to lead House Democrats back to the majority and, perhaps, himself to the 2000 presidential race against Vice President Al Gore. *(WP)*

Quote/Unquote

Representative Henry Hyde, Republican of Illinois and chairman of the House Judiciary Committee, on Attorney General Janet Reno's decision not to appoint a special counsel: "When all the quibbling, lint-picking and fine distinctions are made, this matter all boils down to a loud and clear conflict of interest between the attorney general's duty to the public to enforce the law and her personal loyalty to the president who elevated her to the top law enforcement post in the land."

Senator Carl Levin, Democrat of Michigan, on the same issue: "The attorney general is a person of rock-solid integrity. She has proven over time that she'll call them as she sees them, as required by law, ignoring both the threats of Republican leaders and her position in the administration." *(AP)*

Giuliani Ad Kept Off Buses for Now

New York Times Service

NEW YORK — Those New York magazine advertisements that made fun of Mayor Rudolph Giuliani will not be going back on city buses here quite yet.

At the request of city and transit officials, a federal appellate court judge in Manhattan gave the Giuliani administration a brief reprieve Tuesday from a ruling Monday that said city officials had violated New York magazine's First Amendment rights by preventing it from running the satirical ads on city buses.

The magazine said the promotions were an affectionate joke. In the ads, the magazine declares that it is "possibly the only good thing in New York Rudy hasn't taken credit for."

But the dispute continued to escalate, as lawyers for the city and the Metropolitan Transportation Authority went to the 2d U.S. Circuit Court of Appeals, telling a judge in court papers of the "irreparable harm that will ensue" to both the city and the mayor if the ruling by Judge Shira Scheindlin of the U.S. District Court here is allowed to stand.

"The decision was wrong," the mayor said Tuesday, saying Judge Scheindlin's finding that the magazine had the right to use his name in its satirical ads could open the door to similar promotions by less reputable publications.

The stay will remain in place until a hearing Thursday before a three-judge panel of the appellate court.

AMERICAN TOPICS

The Amish Take Up New Ways of Living

Few groups in America are tied to the word tradition as closely as the Amish, who live in communities separated from the modern world, shunning such amenities as electricity and the telephone.

Yet change has come in a big way in the last decade. As their farms from Pennsylvania to Ohio, Indiana, Iowa and Illinois have become more costly to run, nearly half of the Amish have found nonfarm work as craftsmen, carpenters and construction workers. Many are making out very well, according to a new book, "Amish Enterprise: From Ploughs to Profits."

Many Amish now work at crafts for tourists, who find them endlessly fascinating — the men in beards and wide-brimmed hats, the women in long plain dresses and bonnets. Others have formed wandering construction crews. "They are great workers," Dave Beatty of Marion Center, Pennsylvania, said, after a 15-man Amish team built him a two-story house.

The Amish get about $10 an hour, plus meals and a bus ride to the work site if it is more than 80 miles from their homes. Otherwise, they travel to work by horse and buggy.

Donald Kraybill, co-author of the book, found that about 15 percent of the Amish now make more than $100,000 a year, and 7 percent more than $500,000.

"They don't have computers, they're not using electricity and they don't have training about how to create a marketing plan" — the Amish limit education to the eighth grade. But what they do have, he said, is entrepreneurial spirit, innovativeness and a strong work ethic.

Short Takes

Facelifts and other forms of "rejuvenation" surgery are becoming increasingly popular among men. Members of the American Society of Plastic and Reconstructive Surgeons performed 5,000 facelifts on men last year, up 80 percent from 1992. "I've done facelifts on these guys, they're like 65 years old; they've been ranchers all their lives, whereas you didn't used to see that," said Dr. Robert Clark, of Wichita, Kansas. Urban men, too, are part of the trend. Still, men trail women. They accounted for just 14 percent of the nation's facelifts last year.

All the added shopping, wrapping and decorating for the holiday season boosts Americans' trash output by 25 percent, or a million tons a week between Thanksgiving and New Year's, notes The Washington Post. It quotes the ULS (Use Less Stuff) Report as saying that just one tablespoon of wasted cranberry sauce per person adds up to 16 million pounds. So eat up. And ho ho ho.

Brian Knowlton

I'd Walk a Mile for Patchouli? Cigarette Firm Lists Ingredients

Washington Post Service

WASHINGTON — For the first time, an American tobacco company will list the ingredients in its cigarettes on the label.

On Tuesday, Liggett Group Inc. introduced cartons that the company plans to begin using that list the ingredients in its L&M cigarettes, including molasses, phenylacetic acid and the oil of the East Indian mint called patchouli.

The move comes as the state of Massachusetts is trying to compel disclosure of ingredients by cigarette makers, an effort that other major tobacco companies are fighting.

Liggett, which signed the first settlements with states and private attorneys suing it, supports the Massachusetts effort. "Liggett believes that its adult consumers have a right to full disclosure," said Bennett LeBow, Liggett's head.

Along with blended tobacco and water, the 26-item L&M list includes high-fructose corn syrup, sugar, natural and artificial licorice flavor, menthol, artificial milk chocolate and natural chocolate flavor, valerian root extract, molasses and vanilla extracts, and cedarwood oil. Less familiar additives include glycerol, propylene glycol, isovaleric acid, hexanoic acid and 3-methylpentanoic acid.

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U.K. Turns Circumspect In Talks on Hong Kong

Meetings in Beijing Are First Since Handover

By Edward A. Gargan
New York Times Service

HONG KONG — For the first time since Britain relinquished sovereignty of Hong Kong four months ago, British diplomats have met with officials in Beijing for a two-day discussion of the territory's reversion to Chinese rule.

Although China has repeatedly and emphatically declared that Britain now has no responsibility to monitor or judge Beijing's policies toward Hong Kong, British diplomats used the occasion Tuesday and Wednesday to raise issues of democracy and human rights with the Chinese.

Despite its status as nothing more than the former colonial power, the original agreement between the two countries in 1984 called for continued bilateral discussions about Hong Kong through 2000.

And while Britain has regularly criticized China, and its appointed leader for Hong Kong, the former shipping magnate Tung Chee-hwa, for dismantling all of the territory's democratic institutions, London was far more circumspect in the talks in Beijing this week.

"I stressed the need to look forward, not backwards," Alan Paul, the leader of the British delegation to the Joint Liaison Group, said Wednesday in Beijing after six hours of meetings spanning two days. "I think that it is vital that between now and 2007, when the time comes for Hong Kong to take a decision on the move to universal suffrage, all necessary steps are taken to ensure that this is a real option."

Hong Kong officials are planning to hold elections in May for the territory's legislature, elections that will, however, sharply restrict the electoral franchise in a way designed to ensure the dominance of the business elite and pro-Beijing candidates.

Even so, Mr. Paul refrained from criticizing publicly either the abolition of the fully elected legislature in July, upon the handover, or the methods for choosing a new one in May. He also said that Britain had no intention of sending election monitors to the May vote.

"However," he added, "we shall be following the elections with the greatest possible interest."

Mr. Paul also welcomed Beijing's decision to submit reports to the United Nations on the human rights situation in Hong Kong. It was unclear, though, whether the reports will be written in Hong Kong and revised by Beijing or sent directly to the United Nations.

Although no Chinese official was available to comment on the meetings, held at the Diaoyutai state guest house just west of the Forbidden City, Beijing has continued to accuse London of failing to deal completely with the illegal Vietnamese migrants who have landed in Hong Kong. There are still about 1,200 so-called boat people here, most living in camps waiting either for acceptance as refugees by some foreign country or for repatriation to Vietnam. Since the 1980s, more than 250,000 refugees have either been resettled abroad or returned to Vietnam.

Mr. Paul said that Britain would evaluate requests for asylum on a case-by-case basis, but offered the Chinese no promises to accept the Vietnamese en masse.

Both Mr. Paul and his Chinese counterpart, Wang Guisheng, are newly appointed.

One participant in the talks, Michael Suen Ming-yeung, now secretary for constitutional affairs in Hong Kong, switched sides at the meetings; before July, he sat with the British delegation at the Joint Liaison Group discussions.

Mr. Suen evinced no discomfiture at his realignment. "Both China and Britain have the same goal, that is for the interest of Hong Kong," he said.

At the regular Foreign Ministry briefing Tuesday, Tang Guoqiang, a spokesman, poured a little cold water on the meetings.

"The JLG's work," he said, "was basically completed before the handover."

Kamal Kishore/Reuters

President K. R. Narayanan, right, conferring with Prime Minister Inder Kumar Gujral in New Delhi on Wednesday.

Cabinet Urges President To Call Election in India

Washington Post Service

NEW DELHI — The cabinet of Inder Kumar Gujral, the caretaker prime minister, recommended Wednesday that Parliament be dissolved, making it likelier that India will hold a midterm election early next year.

President K. R. Narayanan does not have to follow the cabinet's recommendation, which was described as unanimous, but it would be unusual if he rejected it.

Voting by the nation's 600 million registered voters would take several weeks and probably begin in February.

The 13-party United Front coalition that ruled for seven months was reduced to a minority government Friday when the Congress (I) Party withdrew its support, prompting Mr. Gujral to resign and Mr. Narayanan to appoint him as caretaker.

None of the three major blocs in Parliament — the United Front, Congress and the Hindu nationalist Bharatiya Janata Party — were able to assemble a new majority government over five days of negotiations and attempts to induce defections.

Representatives of the parties sounded resigned to the second parliamentary campaign in less than two years, facing what Outlook newsmagazine called "an election nobody wants."

Ajit Jogi, a Congress spokesman, tried to blame the coalition for not reaching a compromise on a new government.

Praise for Pakistan's Army

Military Played 'Positive Role' in Power Struggle

Compiled by Our Staff From Dispatches

ISLAMABAD, Pakistan — The government Wednesday praised the army's role in re-establishing stability as an acting president and an interim supreme court chief took power following Prime Minister Nawaz Sharif's victory in a constitutional battle.

Ajmal Mian, the most senior justice, took the oath of office as chief justice in a ceremony attended by 14 other justices, dozens of legislators and the governors of Pakistan's four provinces.

The only justice absent was Sajjad Ali Shah, who was removed as chief justice Tuesday after a dispute with the prime minister, whom he has sought to have tried for corruption and contempt of court.

The chairman of the Senate, Wasim Sajjad, stepped in as acting president following Farooq Leghari's resignation as head of state late Tuesday, accusing Mr. Sharif of seeking "total powers."

Information Minister Mushahid Hussain on Wednesday praised the army for its role in solving the political crisis.

"The Pakistan Army played a positive role to stabilize the situation and demonstrated a commendable commitment to the constitution, rule of law and democratic political system," he said in a statement.

Mr. Hussain said this "is sign of stability, especially for a country like Pakistan, which has experienced varying periods of military rule in the past" 50 years.

It was the first time that Mr. Sharif's government had publicly acknowledged the support the military gave to end the weeks of constitutional paralysis. The army itself made no comment on its role.

Many had worried the crisis would cause the powerful military to take charge, but the army chief was cast in the role of mediator, shuttling between the feuding heads of state and judiciary to find a compromise.

Mr. Sharif accused both the president and chief justice of trying to undermine his government. Mr. Leghari said Mr. Sharif's administration was a "dismal failure," and Justice Shah accused the prime minister of orchestrating a mutiny on the supreme court bench.

In the end, 10 of the 17 justices on the supreme court had sided with the prime minister.

The dispute began several months ago over the appointment of five new judges to the bench, expanding it to 17.

Mr. Sharif preferred a smaller bench. Justice Shah eventually won, but not before he resurrected corruption charges against Mr. Sharif, suspended legislation passed by Parliament and eventually charged him with contempt.

If found guilty on the contempt-of-court charge, Mr. Sharif could be removed from power.

He still faces the charge, but now it will not be heard by Justice Shah.

According to news reports Wednesday, Justice Shah has taken a two-month leave of absence from the bench. He is scheduled to retire in February. *(AP, Reuters)*

BRIEFLY

Treaty Assailed in Bangladesh

DHAKA — Bangladesh's main opposition party on Wednesday called for a national general strike on Sunday to protest the signing of a peace treaty with tribal rebels in the Chittagong Hill Tracts.

"The treaty amounts to a denial of sovereignty over one-tenth of the country's total territory," said former Prime Minister Begum Khalida Zia, leader of the Bangladesh Nationalist Party.

The treaty was signed in Dhaka on Tuesday by the government of Prime Minister Hasina Wazed and rebel leaders. It is intended to end a quarter century of tribal insurgency in the 5,500-square-mile (14,200-square-kilometer) Chittagong Hill Tracts, which border India and Burma. *(Reuters)*

Sihanouk Greeted by Hun Sen

PHNOM PENH — King Norodom Sihanouk of Cambodia returned to Phnom Penh on Wednesday and was greeted by a long line of officials including the country's de facto leader, Hun Sen, who deposed the king's son, Prince Norodom Ranariddh, in early July.

The 75-year-old king left Cambodia in late October for medical treatment in Beijing. King Sihanouk, accompanied by his wife, Queen Norodom Monineath, was making his first trip to the capital since the coup that removed his son from power. *(Reuters)*

Bhopal Anniversary Observed

BHOPAL, India — Survivors of one of the world's worst industrial accidents observed the 13th anniversary of the fateful day on Wednesday, carrying effigies of the dead through the streets of Bhopal.

Up to 6,500 people were killed and at least 20,000 injured in this central Indian city after 27 tons of toxic gas leaked from a pesticide factory owned by an American multinational, Union Carbide Corp., on Dec. 3, 1984.

Survivors and children born after the accident burned, beat and kicked effigies of the company's former chairman, Warren Anderson, in front of Union Carbide India's former plant. *(Reuters)*

Jakarta Reinstates Loggers

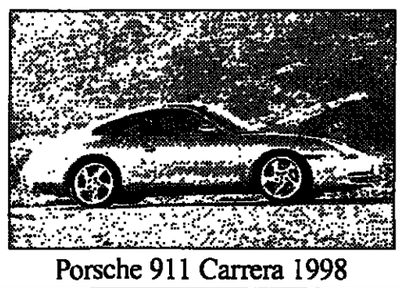
JAKARTA — Indonesia has reinstated 45 of the 144 timber exploitation permits revoked in the wake of widespread forest fires, the official Antara press agency reported Wednesday.

The agency quoted Soegeng Widodo, director of forest supervision in the Forestry Ministry, as saying Tuesday that the 45 licenses, held by 21 companies, were restored after the companies agreed not to clear land through burning. *(Reuters)*

In this Friday's

Leisure

The Car Column



Porsche 911 Carrera 1998

CLIMATE: *At Kyoto Talks, Greenpeace Meets Its Darth Vader*

Continued from Page 1

representatives of oil, coal, automobile, agricultural and other industries fighting any binding agreement in Kyoto.

Greenpeace, the environmental watchdog group, held a packed press conference Wednesday to blast industrial lobbyists for their "obstructive role" and for "unabashedly playing games with science and statistics."

One environmental group, Friends of the Earth, is distributing a leaflet that shows a jowly man in a cowboy hat and a bolo string tie, looking a lot like J.R. Ewing from "Dallas," with little bowtied puppets of President Bill Clinton and Vice President Al Gore sitting in his considerable lap.

The idea, endorsed by many environmentalist here, is that the U.S. government's environmental policy is controlled by major oil and automotive companies that are "making billions of dollars from fossil fuels whilst helping to wreck the Earth's climate."

Friends of the Earth also has set out a ballot box for voting on the "top of the Dirty Dozen."

Voters are asked to choose their least favorite among 12 groups and companies, including Exxon, Mobil, Shell Oil, Ford Motor Co. and the Global Climate Coalition, the American organization — comprising those oil companies, the Big Three automakers, mining and transport companies, steelmakers and chemical producers — that has led the charge against binding emissions targets at Kyoto.

"It is visceral," said Gail McDonald, the coalition's president, who is cited personally in a Friends of the Earth pamphlet.

Ms. McDonald, former chairman of the Interstate Commerce Commission in the Clinton administration, said that the opposition to her group's position in Kyoto this week had been vehement and sometimes personal.

"For a person who used to get a certain degree of deference as a public official, it's hard," she said. "I remind myself each day that I need a thicker skin."

Ms. McDonald's group is among the largest lobbying groups in Kyoto, with more than 100 members expected to be in town before the conference ends Dec. 10.

Greenpeace, perhaps the largest international environmental delegation at the conference, has about 40 members here.

The McDonald group was the leading force behind a $13 million advertising campaign in the United States this fall that warned that strict reductions in greenhouse gases would cause catastrophic economic results and endanger the lifestyle of every American.

"We're often seen as the guys in the black hats," Ms. McDonald said. "But we do feel great entitlement to make the case for the companies we represent."

ANNOUNCEMENT

The Minister of Transport, Public Works and Water Management will start an application procedure on 1 December 1997 for the granting of licences for the installation, maintenance and operation of telecommunications networks based on the DCS 1800 and GSM standards in the Netherlands.
This procedure is based on the Telecommunications Act. The relevant legislation – published in the 'Staatsblad' (Statute Book) and in the 'Staatscourant' (the Netherlands Government Gazette) – will be available no later than 1 December 1997.

Available are:
a two national licences, consisting of a combination of DCS 1800 and GSM-frequencies. The current GSM licensees, KPN and Libertel, are excluded from these licences.
b 16 licences, consisting of DCS 1800 frequencies only. No mandatory national coverage applies to these licences.

There are no restrictions on combining these licences.
The licences will be auctioned, unless it appears from the application procedure that there is no scarcity of them.
In that case the licences will be granted to the applicants.

Parties who are interested in one or more licences may submit an application. In order to be eligible for a licence, a number of minimum requirements will have to be fulfilled.

1. Submission of the application
The application procedure will be described in an application document. This document also contains the relevant statutory regulations. The application must be submitted in conformity with the requirements with respect to form and content, as described in the application document. For licenses for DCS 1800 combined with GSM, a sum of NLG 25,000 must be paid simultaneously with submission of the application. An applicant for one or more licenses for DCS 1800 must pay a sum of NLG 15,000 simultaneously with submission of the application. An applicant who wishes to acquire both a licence for DCS 1800 combined with GSM and one or more licences for DCS 1800 must only pay the sum of NLG 25,000.

The application and the payment must be received no later than 7 January 1998 at 14.00 hours.

An applicant for a combined DCS 1800/GSM licence may only submit one application. An applicant for one or more of the sixteen DCS 1800 licences must indicate which of these licences he wishes to acquire. An applicant who wishes to acquire a combined DCS 1800/GSM licence as well as a DCS 1800 licence must submit two applications.

An application will only be handled if:

- the application document has been requested and a sum of NLG 500 has been received;
- an application has been received that satisfies the statutory requirements;
- the application has been received before 7 January 1998 at 14.00 hours;
- a sum of NLG 25,000 has been received for an application for a combined DCS 1800/GSM licence no later than 7 January 1998 at 14.00 hours;
- a sum of NLG 15,000 has been received for an application for a DCS 1800 licence no later than 7 January 1998 at 14.00 hours. This sum does not have to be received if the applicant has also submitted an application for a combined DCS 1800/GSM license.

2. Request for an application document
An application document may only be sent if a payment of NLG 500 has been received. An application document can exclusively be requested in writing from:

The Minister of Transport, Public Works
and Water Management
c/o mr. P. van Dullemen, civil-law notary
PO Box 11756
2502 AT THE HAGUE
The Netherlands
fax: +3170 347 6719.

3. Payment
The payment required must be transferred to:

Bank account number 22.58.00.926,
F. van Lanschot Bankiers N.V., in The Hague, The Netherlands
in the name of mr. P. van Dullemen,
civil-law notary in The Hague, The Netherlands

4. Duration of the licence
The licence will be granted for a period of 15 years.

The Hague

The Minister of Transport, Public Works
and Water Management
On whose behalf,
the Director of the Telecommunications and Post Department
drs. J.M.F. Diris

Ministry of Transport, Public Works and Water Management
Telecommunications and Post Department

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Conditions for Seoul

The United States is right to back a financial rescue plan for South Korea but also right to insist on tough conditions — what President Bill Clinton termed a "strong agreement" with the International Monetary Fund. Helping the Koreans is in the interest of the U.S. economy, which would be seriously affected if South Korea's downward spiral were not checked. But such assistance makes sense only if South Korea implements the tough economic reforms it needs to help itself.

A rescue will involve billions of dollars, both directly and indirectly through U.S. contributions to the IMF, and therefore is sure to excite opposition in Washington. So it is worth pointing out that what is commonly referred to as a "bailout" is by no means a gift from American taxpayers to their South Korean counterparts.

When the United States "bailed out" Mexico, U.S. taxpayers ended up in the black because Mexico promptly repaid its loans, with interest. The goal in South Korea is the same: to provide a pool of money to restore international confidence in the South Korean economy while it retools and works through its financial crisis. The South Koreans promise to repay the money once they regain their footing.

That is the theory, and there is no reason it can't work in South Korea's case, where in many ways the economy is in better shape than was Mexico's. South Korea has an impressive industrial base, a high savings rate and a highly educated population. Its economy is the world's 11th largest.

But South Korea's economy also is beset by some very real problems. If those are not tackled, no amount of money can restore investor confidence. And if the IMF, backed by the United States and Japan and others, lends South Korea money in such conditions, the bailout fund will just be frittered away.

Some time will pass before we know for sure whether South Korea is willing and able to institute the needed and promised reforms. Its National Assembly recently rejected a package of financial liberalization measures. The nation is approaching a presidential election, so the incumbent is a lame duck with limited authority. South Korea's government denied up to the last minute that it needed an IMF bailout at all, and many officials, unions, banks and businesses still seem in a state of denial about the extent of necessary reforms.

Those reforms, it should be stressed, are not identical to what the IMF has imposed on Mexico and other ailing economies. South Korea's problem is not one of government or consumer profligacy, so the traditional medicine of fiscal austerity and imposed recession needs to be modified. But the economy — as many of its smartest policy experts have long argued — needs deep structural reform. Banks were too cozy with government and with allied industrial conglomerates, and they made a lot of bad loans.

Now the economic structure needs to be opened up to foreign investors and local entrepreneurs alike. Banks and companies that are effectively bankrupt should be allowed to fail; regulation should be consistent and clear to the public. Such reforms will help South Korea's economy in the long run, but a lot of folks who got rich the old way, including politicians, will continue to resist. Monitoring the rescue plan calls for long-term vigilance.

—THE WASHINGTON POST.

Freeh's Truth Grenade

There was nothing unexpected in Attorney General Janet Reno's refusal on Tuesday to appoint an independent counsel on the issue of telephone solicitation by Bill Clinton and Al Gore. Indeed, Ms. Reno's choice of such a narrow legal issue guaranteed the outcome that she announced. What was unexpected was the dramatic way in which Louis Freeh, the FBI director, rebelled against her persistent blindness to the conflict of interest that this case presents to her and the Justice Department. By doing so, he exposed the emptiness of Ms. Reno's interpretation of the Independent Counsel Act, and practically guaranteed that demands for a counsel will persist despite her desire to smother them.

Mr. Freeh put his prestige as director of the bureau behind several powerful ideas that have disrupted Ms. Reno's effort to curtail an unrestricted investigation of the Clinton-Gore fund-raising in 1996. Through unnamed aides, he has now asserted that this attorney general is so mired in conflict of interest that she must step aside and let others investigate her boss. He has seen through Ms. Reno's decoy tactic of focusing on whether the telephone calls violate a century-old statute, and he has argued that the available evidence requires a broader inquiry.

Mr. Freeh has let it be known that he remains worried about a reported Chinese government effort to influence the 1996 election. He has shown that he has no confidence in the career officials who, at Ms. Reno's insistence, have been given control over the most significant political scandal since Watergate. By putting his doubts in a memo that he handed to Ms. Reno for her Thanksgiving holiday reading, he let the White House and Congress know that he and his agency do not endorse her effort to hobble and politicize federal law enforcement.

Ms. Reno's aides and the Clinton-Gore team are livid about Mr. Freeh's show of independence, and they will probably counter by accusing him of playing to the press and the Republican congressional majority. But in our view he has acted prudently to preserve his personal reputation and the integrity of the FBI. He has also followed sound legal principle in protesting Ms. Reno's perversely constricted reading of the Independent Counsel Act.

Republicans in Congress must seize on this principled defection from the Reno blocking strategy to force appointment of a counsel. A logical first step would be to summon Mr. Freeh to testify in public on his memo to Ms. Reno. That information can then be used in another letter formally requesting the attorney general to do her duty under the counsel law.

For Mr. Clinton, a smart move would be to adopt Mr. Freeh's view as his own and simply order Ms. Reno to appoint a counsel with the authority to examine all aspects of the '96 campaign, including the Chinese connection and campaign spending by both parties.

It will take a few days for the magnitude of Mr. Freeh's action to sink in. Washington has not seen an FBI director publicly tell an attorney general that she is wrong on the evidence and wrong on the law. It was a momentous act of duty to lob this hand grenade of truth into Ms. Reno's legal fantasyland. Now the congressional majority must embrace its duty to pursue justice when the Justice Department reneges.

—THE NEW YORK TIMES.

Other Comment

Dangerous Politics in India

The fall of the latest Indian government comes as no surprise. But, given the constellation of forces in Parliament, no bloc is yet strong enough to form a stable government, and new elections are unlikely to change that. If any party stands to benefit from the continuing crisis, it is the Hindu nationalist Bharatiya Janata Party, which is already the strongest party in the lower house. The once abhorred Hindu nationalists can only profit from the political impasse and gain further respectability.

Should the BJP ever become the dominant partner in a coalition government, that would pose a serious threat to the concept of India as a secular state and have grave consequences for religious freedom in that country.

— Neue Zürcher Zeitung (Zurich).

Compromises are, of course, the very stuff of politics, but there comes a time in the life of a party and institution when the game of politics is reduced to maneuvers and playing Byzantine games to win power and stay in office once having achieved it.

The Congress Party can claim the dubious distinction of proving how contagious its new mores are. The Bharatiya Janata Party that had flickered as a shining light in advertising its discipline and probity has become a mirror image of Congress.

— S. Nihal Singh, commenting in the Khaleej Times (Dubai).

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Global Economics Bumping Against Local Culture

By Robert J. Samuelson

WASHINGTON — South Korea's crisis is as much political and psychological as economic. The same is true of almost all the countries caught in the present economic downdraft.

Governments have to a large extent earned popular approval for their ability to deliver economic progress. The rapid rise of living standards has fanned expectations and muted opposition. Success is intoxicating and disarming.

Now economic growth will slow and may reverse. Expectations will be dashed and discontents aroused. Governments will operate in a different climate and face unpopular decisions. No one knows how well, or whether, political leaders will cope.

South Korea exemplifies a common dilemma. Rapid economic growth has overwhelmed traditional ways of doing business and politics. Remorseless financial markets and multinational firms guide the global economy. Strict economic calculation reigns. Investors want international accounting standards and enforceable contracts.

Meanwhile, emerging economies play by their own rules. Political connections often determine who wins and loses; financial information is often unreliable or dishonest. The most disturbing aspect of the failure of Japan's Yamaichi Securities was the company's concealment of $2 billion in losses.

Local culture and global economics collide. Countries may have to heed global dictates or economic growth.

For South Korea, vulnerability arises from an estimated $120 billion in foreign debt. This consists mostly of dollar loans made to South Korean banks and companies. About $66 billion of these loans mature in less than a year, says the Bank of Korea.

If the loans are not renewed, South Korea could plunge into depression. Its foreign exchange reserves (now less than $30 billion) might be depleted; it would have to curb imports sharply. Or borrowers, including big banks and companies, would be forced into bankruptcy. Or both.

An IMF loan aims to avert this large calamity by imposing a smaller calamity. Foreign creditors would be reassured or paid off with the new credit; but South Korea would be forced to make basic changes in its traditional approach to economic growth.

This has involved using banks to make big loans to the chaebol. These large conglomerates (the best known are Hyundai and Samsung) dominate the economy. Generous loans were intended to promote strategic industries, from shipbuilding to computer chips.

But lax loans also promoted huge overinvestment. Computer chips, now South Korea's largest export, are the latest example; the present crisis started with the collapse of prices for memory chips (down 70 percent from a year earlier) in late 1996. This crippled exports and widened the trade deficit.

As a result, South Korea is not earning enough abroad to cover its overseas debt, and its banks are saddled with bad loans to the chaebol. The Bank of Korea puts bad and nonperforming loans (not paying either interest or principal) at $20 billion; private estimates go to at least $50 billion.

The reckoning has arrived. South Korea's growth will drop because new credit — foreign and domestic — has evaporated. The chaebol will shut some operations, fire workers at others.

For ordinary South Koreans, the prospect is for higher taxes, lower employment and more insecurity. "Lifetime employment" will erode. Whether South Koreans will quietly stomach all this is a good question. Whether South Korean politicians can summon the will to enact all the new laws needed to satisfy the IMF and global investors is also a good question.

South Korea is now in the midst of a campaign for a Dec. 18 presidential election. None of the three major candidates has candidly addressed the economic crisis. All three favor banking reform, notes The Economist, "but no one knows how resolute any of them would be in pursuit of it."

Similar uncertainties plague other Asian countries. Japan has handled its banking crisis poorly for seven years. Until recently, politicians were scared to shut the weakest banks or to discuss using public funds to shore up others.

In Thailand, bad bank loans resulted from inept or corrupt lending to favored insiders; bank supervision (as in Japan and South Korea) was lax.

China's economic growth will slow, and this could expose huge problems in its banking system. It has lent heavily to state-owned firms that employ more than 100 million Chinese. Many of those loans cannot be repaid, and streamlining the state-owned companies would raise unemployment. To cut costs, unneeded workers would be fired.

With booming economies, Asian societies managed to reconcile local customs and global commerce. This accommodation is now breaking down, for better or worse.

The crisis could be therapeutic. It could jolt societies to abandon corrupt and outdated practices that hamper participation in the world economy. The pressure of events may force changes that leaders could not make alone.

But the pressure of events could prove a seedbed of social unrest and nationalism. Economic crisis could breed political crisis, which could prolong economic crisis. At best, recovery would be postponed. At worst, the twin crises would be more unpredictable and explosive than either alone.

Washington Post Writers Group.

Turbulence Now, but East Asia's Economic Success Is Impressive

By Lewis M. Simons

WASHINGTON — Kuala Lumpur in 1968 was sleepy. There were not enough motor vehicles to put together a traffic jam. Minutes after you left the heart of town you could be at the edge of the jungle.

My office on the fifth floor of the China Insurance Building looked down on the entire city. Palm trees stood taller than most buildings. Shops were mom-and-pop affairs, with the family living upstairs.

Today the Malaysian capital is unrecognizable to anyone who knew it 30 years ago. Its skyline is punctuated by the two tallest buildings in the world, the Petronas Towers. Climate-controlled malls offer some of the world's costliest luxuries to customers who live in elegant condominiums.

Morning and evening, gridlock is easily comparable to the worst that metropolitan New York can dish out.

With minor variations, these kinds of changes can be seen throughout Southeast Asia — in Singapore, Bangkok, Jakarta and Manila — to say nothing of Tokyo, Seoul, Taipei, Hong Kong and, increasingly, Shanghai and Beijing.

When I first came to know these cities, most were stagnant backwaters. Today they are world-class showcases, replete with world-class problems — like turbulent stock markets.

There is a troubling tendency among some Americans to declare that the current financial crisis in Asia means that the economic accomplishments of these countries have been nothing but myth. Only yesterday these same financial analysts and newspaper reporters were calling Asia's economic revitalization a miracle.

That sort of shortsightedness results in a wildly swinging scorecard of so-called winners and losers, a kind of topsy-turvy perception of the world.

In 1982, just as I was preparing to move to Tokyo, Ezra F. Vogel's book, "Japan as No. 1: Lessons for America," issued a dire warning that Japan had left the United States in the dust. Because many Americans had been so dismissive of Japan after World War II, they were stunned to discover that it had risen, apparently overnight, from the wreckage and become an economic powerhouse.

American self-confidence went gurgling down the drain. During the 14 years I was based in Tokyo, executives from major American companies arrived daily to bow before the Japanese businessman, the gods of "just-in-time" delivery and "lifetime employment." The Japanese, it seemed, had the answers.

In 1990, Japan's economy burst. Stock markets in the United States went wild. Former pilgrims from Detroit and Silicon Valley, along with the analysts on Wall Street, were thrilled. America was back!

Is the Asian economic miracle now finished? So much for the Pacific century?

The economic evolution of much of Asia was not miraculous. It was the result of a lot of hard work and smart investing, as well as luck and fortuitous timing. There was plenty of chicanery and crooked dealing. But the economic evolution was not a myth.

Certainly some Asian leaders — notably Lee Kuan Yew, the founder of modern Singapore, and Mahathir bin Mohamad, Malaysia's prime minister — helped create and perpetuate the thesis that "Asian values" produced a level of industriousness superior to that of the West in general and the United States in particular. It is understandable that some Americans would relish watching the Japanese and their acolytes get into trouble.

Asia's achievements, miraculous or not, may be measured in its cities and villages and in the well-being of its people. When you consider how quickly the Asian economies rose in the first place, it is obvious that they will not stay down for long. They will reform, as they must, and grow leaner, cleaner and tougher in the process.

America, too, had its currency crisis, its stock market crash and its savings-and-loan scandal. And the United States came back. So will Asia.

The writer, a longtime Asian correspondent for various news organizations, won a 1987 Pulitzer Prize for his articles on the Philippines. He contributed this comment to The New York Times.

Playing Electoral Politics With Britain's European Role

By William Pfaff

PARIS — Tony Blair says that fox hunting will be banned in Britain by the year 2000; and that Britain will not join the European single currency until well into the new millennium. He is likely to be wrong on both counts.

On both, the prime minister is caught in the jaws of promises made or evaded during his electoral campaign last spring. On both — emulating his model, Bill Clinton, during Mr. Clinton's first term — he is already running for a second term.

Last Friday the House of Commons voted, 411 to 151, for a private member's bill to ban fox hunting. "A cruel and outdated practice," according to the bill's supporters. A matter of "the unspeakable in pursuit of the inedible," in Oscar Wilde's pleasantry.

An attack upon England's heritage, in pursuit of an agenda "which will move relentlessly through fishing and shooting and angling," declared the former Conservative deputy prime minister, Michael Heseltine, on Friday.

Earlier, Mr. Blair had announced that it would be his government's policy on the single European currency to refuse to join it during the life of this Parliament, but perhaps to accept membership in European monetary union in the next Parliament, assuming that Labour government will be renewed in the new millennium.

There is a big majority inside the Labour Party for banning fox hunting, and a big minority of British voters who do not want the single currency. The Labour leadership recognizes that both issues can make trouble for them among those centrist voters converted from Toryism last spring who put the unthreatening and accommodating Mr. Blair into 10 Downing Street.

Fox hunting is part sport, part agricultural vermin control and part snobbery, but is profoundly rooted in England's country life and class traditions. Fox hunting also represents a significant economic interest in a countryside where farming is a dwindling source of employment.

Mr. Blair, together with nine other members of his cabinet, contrived not to be in London for last Friday's vote, although he says he supports the fox hunting ban. He has indicated, however, that his government will not press the bill's passage in this parliamentary session.

On the single currency, his government suffers from the sentiment expressed by the late, great James Durante as "feeling that you want to go when you know that y'gotta stay." A divided mind on the matter.

The mind in question is not so much that of Tony Blair as of his handlers and positioners. The experience of their American hero, Bill Clinton, has convinced them that Britain's prime minister should do nothing without justification from polls and focus groups, and endorsement from the major business interests, and these tend to conflict.

Industry, banking and British international business generally want Britain a member of the European single currency as early as possible, for obvious commercial reasons. However, a serious obstacle exists in the fact that Britain's economic cycle is out of phase with those of the major Continental economies. This means that a monetary policy suitable for most of Europe might not be suitable for the United Kingdom.

Opinion remains divided, in the majority favorable to monetary union but again with an entrenched popular and political minority hostile to any substantial British concession to centralized power in Europe.

The Conservative government ousted from office last spring was devastated by its internal division on Europe. Out of office, its new leader, William Hague, has attempted to impose a firm anti-European (as well as pro-fox hunting) party line, but certain of the barons of the party reject it, including Mr. Heseltine and the former chancellor of the Exchequer, Kenneth Clarke. Thus will the internecine struggle go on.

Mr. Blair's method for navigating this turbulent strait is to declare that his government favors British entry into monetary union, but not yet. If the single currency is a success after its launch next year, will those who have dawdled find themselves left decisively behind?

The pattern of British-European relations since the war has been of British rebuffs to Europe, followed by efforts to catch up with the others when it was too late to be a leader. Mr. Blair is doing it once again.

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Preferring Saddam to America?

By Daniel Pipes

WASHINGTON — Another crisis with Iraq appears over, with Saddam again stronger than he had been. The reason for his success is not hard to find: "Arabs Angry with U.S. for Iraq Crisis," reads the typical newspaper headline. And indeed they are.

From all over the Middle East, politicians, religious leaders and ordinary people have harsh words for American actions. In their view, America is "starving and besieging the Iraqi people."

Arab commentators seem not to find Saddam Hussein a threat to themselves. A senior Jordanian asserts blandly that "there is no capability of Iraq to threaten its neighbors for the next 20 years."

With such attitudes, it comes as no surprise that Middle Eastern governments tried to prevent the U.S. government from using force against Saddam.

Neither the Saudis nor the Turks have agreed to the use of their territory for strikes against Iraqi targets. Secretary of State Madeleine Albright undertook an embarrassing trip to the region and found no Arab support for using force against Iraq.

All this is very strange. It should be the Saudis, Turks and others who beseech the Americans to help fend off Saddam — the tyrant who attacked Iran in 1980, Kuwait in 1990 and Saudi Arabia and Israel in 1991. Middle Easterners, after all, are a lot closer to Saddam Hussein's missiles than America is. They are also a lot weaker.

Why then is the United States in this topsy-turvy situation in which the distant and strong power begs nearby and weak states to contain their mutual enemy? An answer may lie in the fact that the U.S. government has repeatedly found itself in this position.

During the Vietnam War, Washington had to plead with the South Vietnamese to stand strong against the Viet Cong and North Vietnam. In the last decade of the Cold War, it had to persuade NATO allies to accept modern American missiles on their territories.

In each case, as in the present one, U.S. officialdom made the same mistake: So convinced of the righteousness and importance of its cause, it shouldered the main responsibility for it, shoving aside the local parties.

This has the perverse effect of freeing up the locals. Aware that what they do has almost no importance, they revert to political immaturity.

No longer having to worry about their own skins, they instead indulge in corruption (Vietnam), political opportunism (NATO) and conspiracy theories (the Middle East).

The solution would lie in a very different American approach, one that gives significance to the allies' actions. With this in mind, I propose that President Bill Clinton say something like this:

"It's up to you, my Middle Eastern friends. If you think you can coexist with a Saddam who possesses large armies and weapons of mass destruction, we're happy to withdraw our aircraft carriers, our soldiers in the region and the rest of our infrastructure.

"If you think you can survive a Saddam who gains the proceeds of 3 million barrels of oil a day, we will lift the sanctions.

"In short, if you want to return to the way things were before the Iraqi troops invaded Kuwait in August 1990, just tell us and it's yours.

"But if you worry that such steps will endanger your security, we are happy to stay. However, we need you explicitly to ask us to do so. And you have to pay part of our costs and provide soldiers and matériel to carry out the mission.

"Finally, so that we know that the request is deeply felt, and not just the whim of the leaders, you must hold a referendum on the topic so that the people of your countries can endorse our efforts."

This sensational statement would turn the politics of the Middle East right-side up and transform America from pariah of the region to savior.

The writer is editor of the Middle East Quarterly. He contributed this comment to The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Hawaii Question

PARIS — [The Herald says in an Editorial:] It is gratifying to learn that the subject of the annexation of Hawaii is to precede the consideration of Cuban affairs by the American Congress. If the question is not settled soon, Hawaii may be annexed by some other nation, as Japan's recent attempt to smuggle her subjects into the islands shows, and the United States will forever lose control of this important point in the Pacific, which is on the highway of her Asiatic and Australian trade.

1922: Swiss Property

LAUSANNE — Switzerland administered a smashing defeat to the advanced Communistic principle of the confiscation of private property for State purposes. In the first referendum ever held on this question, namely, that of a capital levy on all property of over $16,000, the Swiss people rejected the idea by a vote of seven to one. The referendum was inspired by the present industrial crisis. Communist elements got through a petition which confronted Switzerland with this issue.

1947: Lethal Sabotage

PARIS — Sabotage killed sixteen persons and hospitalized twenty-seven others yesterday [Dec. 3] when a Paris-Lille express was derailed three miles south of Arras. The first incident of mass homicide to be attributed to the current strike wave was one of six derailments reported during the day. The legislature approved, by 412 to 183, a measure imposing imprisonment and heavy fines on those found guilty of obstructing non-strikers through threats of violence. Only the solid Communist party bloc voted in opposition to the fines and prison terms.

OPINION/LETTERS

From LBJ, a Lesson For Reality Fudgers

By Jim Hoagland

WASHINGTON — A bad cold and the slowing of business over a national holiday let me spend the Thanksgiving weekend with Lyndon Johnson, whose experiences could provide some useful insights for the affable young man from Arkansas now sitting in LBJ's place in the Oval Office.

The insights are extrapolated from a reading of "Taking Charge," the recently published intimate self-portrait that Mr. Johnson painted of himself in conversations he secretly taped. The transcripts of the tapes, edited by Michael Beschloss into book form, are the next best thing to a seance with America's 36th president, who ruled Washington when I first came to this town.

Since then, whenever I have watched leaders such as Jacques Chirac of France or Boris Yeltsin of Russia work a room or get carried away with emotion during a crisis, Lyndon has invariably come to mind, favorably or otherwise. Larger than life, manipulative personalities who generally do themselves more damage than their opponents ever could always remind me of the Texan who was the politician's politician.

Bill Clinton is too careful, too legalistically minded and too reluctant to use raw power ever to be mistaken for LBJ. But these tapes provide valuable glimpses into the problems that every president faces, particularly in trying to mesh domestic political imperatives with the far more abstract demands of foreign policy.

Great abstractions can drive national engagement. The Crusades in Europe, the Cold War, the opening of global markets are slogans and arguments that have helped leaders harness energy and focus attention on national actions.

But abstractions are also dangerous in policy, as in life. They become more important than the goals they are meant to facilitate.

They replace rational examination of costs and benefits and of the chances of success. They become weapons in arguments with rivals and opponents rather than guidelines for action that need to be constantly re-examined.

Such was the case of Vietnam and President Johnson. The tapes paint an astonishing picture. LBJ had available the information and advice he needed early in his presidency to avoid disaster in Vietnam, but he willfully ignored it, fastening instead on arguments that fit his domestic preoccupations.

A striking example was his repeated use, in his private conversations with Washington's political bosses, of his view that America was committed by treaty to defend South Vietnam at virtually any cost. Senator Richard Russell, the hawkish Georgia Democrat, suggested otherwise in a conversation on Vietnam on May 27, 1964:

LBJ: How important is [Vietnam] to us?

Russell: It isn't important a damn bit, with all these new missile systems.

LBJ: Well, I guess it's important to us —

Russell: From a psychological standpoint.

LBJ: I mean yes, and from the standpoint that we are party to a treaty. And if we don't pay any attention to this treaty, why, I don't guess they think we pay attention to any of them.

Russell: Yeah, but we're the only ones paying any attention to it!

LBJ's real reason at this point is his (misguided) obsession with the political challenges he perceives that Henry Cabot Lodge, then the U.S. ambassador in Saigon, and Robert F. Kennedy pose to him. He believes that both will accuse him of being soft on Vietnam.

I will get out of Vietnam as soon as Hanoi agrees to the neutralization of the South, he says over and over, setting as his condition an outcome that his advisers know North Vietnam has rejected.

Nothing remotely resembling Vietnam looms on the horizon for President Clinton. But the Johnson experience is a useful reminder as Mr. Clinton juggles Iraq, Bosnia, NATO expansion and the rest. He must resist the temptation of retreating into abstractions to explain away the world's hard edges and difficult choices.

Mr. Johnson was not wrong to pay attention to the problems of domestic political management in dealing with foreign policy. But he came to grief by failing to recognize which was which, by failing to see where justification (for actions that served his own reputation and fortunes) began and where reality ended.

The Washington Post.

Intimations of Mortality, Or the Meaning of Decaf

By Allyson J. Kleiman

NEW YORK — When did the men I'm attracted to begin drinking decaf?

It seems that only yesterday these rugged individualists could enjoy a cup of strong coffee — sometimes even two or three — and suffer no ill effects. Now they're all taking antacids and stacking bricks under the headboard to prevent acid reflux.

MEANWHILE

Last week, while waiting in line at my local bagel shop, I spotted a rather dashing man, in his late 40s or early 50s, who glided up to the counter in jeans and work boots and ordered a large coffee. I thought he was a keeper until he sheepishly added in a whisper, "And make that half decaf." This trend toward decaffeinated coffee seems to be a telltale sign that baby boomers are aging.

Older generations seemed to have escaped this fate. My mother still drinks one cup of real coffee every morning.

Most of my contemporaries have quit smoking and drink alcohol only occasionally. We work long hours, exercise like crazy and are tired all the time. There's never enough time to finish reading the newspaper, and we need reading glasses to make out the crossword puzzle.

I used to be able to see, and I used to be able to drink regular coffee without heartburn, and I used to date young men who thought people could do anything they set their minds to. Now a cold comes on suddenly and lasts two weeks, naps are a daily ritual and dinner is eaten earlier rather than later. If we stay out all night we have cotton for brains for days.

I don't know when this all happened, but I'm going to invite a friend over so we can do the crossword puzzle together. He'll bring his reading glasses, and I'll make one strong pot of decaf coffee.

The writer, an author of children's books, contributed this comment to The New York Times.

LETTERS TO THE EDITOR

Rating Asia

Regarding "Asian Storm Soaks Ratings Firms, Credibility Takes a Hit Over Slow Reporting" (Nov. 22):

I am writing on behalf of Moody's Investors Service to place some events in context.

We became concerned about the buildup of short-term debt in Thailand in the 1990s. In the spring of 1996, we placed Thailand's short-term foreign currency borrowing ceiling on review for possible downgrade. When we did that, Moody's was severely criticized. We were told by officials and investment bankers that all was well in Thailand, and we even saw commentaries published by another ratings agency supporting this.

Moody's strongly disagreed. For quite some time, our concerns were ridiculed, but we nevertheless stood by our opinion. Moody's argued forcefully that the buildup of short-term debt was unsustainable. How different subsequent events might have been if our concerns, which were voiced more than a year before the fateful devaluation of the baht, had been take more seriously.

Instead we were told that we did not "understand" Thailand. We were told that we did not understand Asia and that all was well. On the other hand, our experience in examining credit told us that whenever any firm or country builds up a large short-term debt, that firm or country is exposed to changes in market confidence.

An analogous problem occurred in the case of South Korea. Historically, Moody's has had a one-notch lower rating on Korea than the other major agencies. Despite that, and before the others, we changed the medium-term outlook to negative in June of this year. Again, we were told that the problems faced by Korea were only temporary; the current account balance was improving — everything would be well. It certainly wasn't.

By the summer we felt compelled to place the short-term borrowing ceilings on review for downgrade as our previously and publicly expressed fears came closer to reality. This time, however, our warnings were more closely heeded. Once again (as had occurred with Thailand) market participants who had told us only months before that we were exaggerating the problem now told us we hadn't done enough!

Despite the criticism and second-guessing, we believe that our methodical approach to these sovereign ratings has shown its worth.

After all, we are not "rating" countries but, rather, rating the risk of default on publicly traded bonds issued by governments and sold on international markets.

We still feel that we are far from an actual sovereign bond default in both the cases of Thailand and Korea, although we must admit, as noted by recent rating actions, that the risks have obviously increased.

It is important to remind market participants, once again, not to be excessive in their evaluations in times of apparent euphoria or crisis. Perhaps our greatest value is to improve market efficiency through analysis that sees through these cycles and dispassionately analyzes the credit risk. It is probably an indication of the correctness of our position that we are criticized on both ends of the euphoria/crisis cycle.

VINCENT TRUGLIA.
New York.

The writer is managing director of the sovereign risk unit at Moody's Investors Service.

About France

Regarding "What Sort of Friend Is a Resentful France?" (Opinion, Nov. 28) by Richard Cohen:

France, as well as other EU and NATO nations, has a Mediterranean shore. The United States does not. It would be "insufferable arrogance" if France asked to patrol the shores of Lake Michigan.

It is presumptuous, to say the least, for the United States to reject European requests to name a European admiral to head NATO's southern command.

WILLIAM KRISEL.
Paris.

After siding with the Allies during World War II, France, China and Russia all became opponents of America, to different degrees. The common denominator in this opposition is that all three countries are bastions of hard-core socialism. It is this ideological difference with the United States that fuels France's antagonism.

France has been unable to openly reveal its socialist zeal and hostility to capitalism because of geography. Unlike Russia and China, France is a small country surrounded by Western nations.

However, the French have made the best of their predicament by only grudgingly giving their support to Western policies. This also works to increase their prestige in world affairs.

Mr. Cohen's playful article shows the continuing ability of this thorn-in-your-side strategy to elicit reactions disproportionate to the importance of France.

ANDY CORSINI.
Marseille.

Newfound Ailments

MANY of my friends have recently become addicts. They have not taken up some new drug or habit. They're doing the same thing they have been doing for years. They smoke.

They became addicts because of a push, socially and legally, to "medicalize" smoking.

This kind of thing has happened before in America. People who drink too much have long since ceased to be seen as moral failures or sinners. Now they are viewed as diseased. Children who can't concentrate on homework were once thought of as bad students. Now they might get a diagnosis of attention deficient disorder.

— Kevin Wildes, a Jesuit priest and associate director of Georgetown University's Kennedy Institute of Ethics, commenting in The New York Times.

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Algarve, Quinta do Lago Hotel Quinta do Lago
Lisbon Hotel da Lapa
Lisbon/Estoril Hotel Palacio
Lisbon/Sintra Caesar Park Penha Longa Golf & Resort
Madeira, Funchal Reid's Hotel

Russia
Moscow Kempinski Hotel Baltschug Moskau
St Petersburg Grand Hotel Europe

Scotland
Auchterarder Gleneagles
Edinburgh The Balmoral
The Caledonian
Turnberry Turnberry Hotel, Golf Courses and Spa

Spain
Barcelona Husa Palace
Rey Juan Carlos I
Estepona Las Dunas Beach Hotel and Spa
Granada/Loja Hotel La Bobadilla
Madrid Hotel Ritz
Palace Hotel
Málaga/Mijas Hotel Byblos Andaluz
Mallorca Hotel San Vida
Marbella Hotel Puente Romano
Marbella Club Hotel
S'Agaró, Costa Brava Hostal de la Gavina
Santander Hotel Real
Seville Hotel Alfonso XIII
Seville/Sanlucar la Mayor Hotel Hacienda Benazura

Sweden
Stockholm Grand Hôtel

Switzerland
Bad Ragaz Grand Hotel Quellenhof
Basel Hotel Drei Könige am Rhein
Berne Gauer Hotel Schweizerhof
Hotel Bellevue Palace
Bürgenstock Park Hotel
Geneva Hotel des Bergues
Hotel du Rhône
Le Richemond
Grindelwald Grand Hotel Regina
Gstaad Gstaad Palace Hotel
Interlaken Victoria Jungfrau Grand Hotel & Spa
Kandersteg Royal Hotel Bellevue
Lausanne Beau-Rivage Palace
Lausanne Palace
Lucerne Palace Hotel Luzern
Lugano Splendide Royal
Mont-Pelerin Le Mirador Resort and Spa
Montreux Le Montreux Palace
St. Moritz Badrutt's Palace Hotel
Kulm Hotel
Suvretta House
Zermatt Seiler Hotel Mont Cervin and Residence
Seiler Hotel Monte Rosa
Zurich Baur au Lac
Dolder Grand Hotel

Turkey
Istanbul The Bosphorus
Çiragan Palace Hotel Kempinski Istanbul

Egypt
Cairo The Mena House Oberoi Hotel & Casino

Israel
Jerusalem King David Hotel
Tel Aviv Dan Tel Aviv

Syria
Aleppo Chahba Cham Palace
Damascus Cham Palace
Ebla Cham Palace

United Arab Emirates
Abu Dhabi Beach Hotel
Dubai Al Bustan Rotana Hotel
Jebel Ali Hotel
The Royal Abjar Hotel

Kenya
Mombasa Serena Beach Hotel
Nairobi Nairobi Serena Hotel
The Norfolk Hotel

Mauritius
Grand Baie Royal Palm

Morocco
Marrakech La Mamounia

South Africa
Cape Town Mount Nelson Hotel
Durban The Royal
Johannesburg Michaelangelo
The Westcliff Hotel

Tunisia
Carthage The Residence-Tunis

Zimbabwe
Harare Meikles

Australia
Brisbane The Heritage
Hayman Island Hayman
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The Sebel of Sydney

French Polynesia
Bora Bora Bora Bora Lagoon Resort

Hong Kong
Hong Kong The Excelsior
Mandarin Oriental
The Ritz-Carlton
Kowloon The Peninsula
The Royal Garden

India
Bangalore The Oberoi
The Taj West End
Calcutta The Oberoi Grand
Taj Bengal
Goa The Leela Beach Goa
Jaipur Rajvilas-An Oberoi Hotel
Madras Taj Coromandel Hotel
Mumbai The Oberoi
Taj Mahal Hotel
New Delhi The Oberoi
The Taj Mahal Hotel
Taj Palace Hotel

Indonesia
Bali Bali Imperial Hotel
Nusa Dua Beach Hotel
The Oberoi
The Ritz-Carlton
Jakarta Mandarin Oriental
Lombok The Oberoi

Japan
Kyoto Kyoto Brighton Hotel
The Miyako
Nagasaki Hotel Europe
Osaka Hotel New Otani
The Imperial
The Plaza
Tokyo Dai-Ichi Hotel Tokyo
Four Seasons Hotel, Chinzan-so
Hotel Okura
Imperial Hotel

Korea
Seoul The Shilla Seoul

Macau
Macau Hotel Bela Vista
Mandarin Oriental

Malaysia
Kuala Lumpur Hotel Istana
Langkawi Pelangi Beach Resort
Penang Penang Mutiara Beach Resort

Pakistan
Karachi Pearl Continental Hotel

People's Republic of China
Beijing Grand Hotel
Kempinski Hotel Beijing Lufthansa Center
The Palace Hotel
Guangzhou White Swan Hotel
(Canton)
Shanghai Garden Hotel Shanghai
Shanghai JC Mandarin
The Westin Tai Ping Yang

Philippines
Manila Mandarin Oriental
The Peninsula

Singapore
Singapore City The Mandarin
Marina Mandarin
The Oriental

Taiwan
Taipei The Ritz Hotel
The Sherwood

Thailand
Bangkok The Dusit Thani
The Oriental
Cha-Am/Hua Hin Dusit Resort and Polo Club
Krabi Dusit Rayavadee Resort Hotel
Phuket Dusit Laguna Resort Hotel
Phuket Yacht Club
Surat Thani/Koh Samui Baan Taling Ngam, Mandarin Oriental Sanitburi Dusit Resort

Vietnam
Hanoi Hanoi Daewoo Hotel

Canada
Montreal Ritz-Carlton Kempinski Montreal
Toronto King Edward Hotel
Vancouver The Pan Pacific Hotel

Mexico
Cancún Camino Real
Fiesta Americana Condesa
The Ritz-Carlton
Manzanillo Las Hadas Resort
Mexico City Camino Real
Hotel Marqués Reforma

United States of America
Arizona
Scottsdale The Phoenician
Scottsdale Princess

California
Bel-Air Hotel Bel-Air
Beverly Hills Hotel
The Beverly Hills Hotel, The Peninsula
The Regent Beverly Wilshire
Carlsbad La Costa Resort and Spa
Laguna Niguel The Ritz-Carlton
Los Angeles The Ritz-Carlton, Marina del Rey
Palm Springs Givenchy Hotel & Spa
San Francisco Mandarin Oriental
The Ritz-Carlton
Santa Monica Shutters on the Beach

District of Columbia
Washington, D.C The Carlton
The Watergate Hotel

Florida
Aventura, N. Miami Turnberry Isle Resort & Club
Miami/Fisher Island The Fisher Island Club
Naples The Ritz-Carlton
Palm Beach The Breakers

Georgia
Atlanta The Ritz-Carlton, Buckhead

Hawaii
Honolulu, Oahu Halekulani
Kahala Mandarin Oriental, Hawaii
Kapalei, West Oahu Ihilani Resort & Spa
Kohala Coast, Hawaii The Orchid at Mauna Lani
Wailea, Maui Grand Wailea Resort, Hotel & Spa

Louisiana
New Orleans Windsor Court Hotel

Massachusetts
Boston The Ritz-Carlton

New York
New York The Helmsley Park Lane Hotel
Hotel Plaza Athénée
Hotel Westbury
The Mark
The New York Palace
The Peninsula
The Pierre
The St. Regis
The Waldorf Towers

West Virginia
White Sulphur Springs The Greenbrier

Argentina
Buenos Aires Alvear Palace Hotel
Caesar Park

Brazil
Ilhéus, Bahia Hotel Transamérica
Rio de Janeiro Caesar Park Hotel Ipanema
Copacabana Palace Hotel
São Paulo Caesar Park
The Maksoud Plaza

Chile
Santiago Hotel Carrera

Colombia
Bogotá Hotel Bogotá Royal

Costa Rica
San José Camino Real

Ecuador
Guayaquil Hotel Oro Verde
Quito Hotel Oro Verde

Peru
Lima Hotel Oro Verde

Barbados
St. James Sandy Lane Hotel

French West Indies
La Samanna St. Martin

Grenadines
Petit St. Vincent Petit St. Vincent Resort

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Los Croabas El Conquistador Resort & Country Club
San Juan El San Juan Hotel & Casino

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Killer Says He Followed Mrs. Mandela's Orders

Hands 'Full of Blood,' Ex-Bodyguard Says

The Associated Press

JOHANNESBURG — Winnie Madikizela-Mandela ordered the killings of suspected police informers in the late 1980s, including the 14-year-old activist Stompie Seipei, her former chief bodyguard testified Wednesday.

Jerry Richardson, a convicted murderer, told the Truth and Reconciliation Commission his hands were "full of blood" from carrying out orders from President Nelson Mandela's former wife to kill *impimpis*, a term anti-apartheid activists used to mean police informers.

Mr. Richardson, who admitted having been a police informer, mentioned two murders that he had committed on orders from Mrs. Madikizela-Mandela — of Stompie Seipei and a woman named Kuki Zwane.

"I killed Stompie under the instructions of Mami," he said, referring to Mrs. Madikizela-Mandela by the name used by many at the time for the woman who was known as the mother of the nation. "Mami never killed anyone, but she used us to kill a lot of people. She does not even visit us in prison, but she used us."

Mr. Richardson's testimony was the strongest in eight days against Mrs. Madikizela-Mandela, coming as it did from an insider of her so-called Mandela United Football Club group of bodyguards.

Mrs. Madikizela-Mandela's testimony, which had been expected Wednesday, was postponed until Thursday after Mr. Richardson's rambling and sometimes erratic testimony.

After lunch, he repeatedly disrupted proceedings by challenging questions from Mrs. Madikizela-Mandela's lawyer, Ishmael Semenya. Archbishop Desmond Tutu, chairman of the commission, repeatedly admonished him to give direct answers. The audience erupted in laughter when, asked why he had applied for amnesty from the commission, Mr. Richardson responded that he was "trying his luck."

He also alleged that agents of South Africa's former white-minority or apartheid government had regularly visited Mrs. Madikizela-Mandela at her home and intimated that one had had a love affair with her.

Earlier Wednesday, Mr. Richardson, wearing a green suit and carrying a small soccer ball when he arrived, explained how Stompie Seipei and three other men were whipped, beaten and thrown in the air to land on the ground by football club members led by Mrs. Madikizela-Mandela in December 1988.

Mr. Richardson said he protected Mrs. Madikizela-Mandela at his 1990 trial, saying she was absent when the assault took place. "You see, I loved Mami with all my heart," he said. "I would have done anything to please her."

But, he added, after spending "so many years" in prison without a visit from Mrs. Madikizela-Mandela, "I have woken up to the fact" that she was working with apartheid agents.

Peter Andrews/Agence France-Presse

Winnie Madikizela-Mandela smiling Wednesday as she listened to testimony from a former bodyguard who implicated her in two murders.

KOREA: *IMF Aid to Total $55 Billion*

Continued from Page 1

offered Thailand and the $23 billion promised Indonesia in recent months, as well as the $48 billion offered Mexico about three years ago. Mr. Camdessus said he hoped the loans to South Korea would help stabilize the region.

The administration of President Bill Clinton applauded the bailout plan of one of its key Asian allies. "We have a vital national economic and security interest in helping Korea to restore market stability as soon as possible," Treasury Secretary Robert Rubin said in a statement. The United States, which is the largest shareholder in the IMF, played a major role in pushing for Seoul to adopt stern reform measures.

[Mr. Rubin said South Korea would probably not need more than $35 billion of the bailout package, Bloomberg News reported from Santiago, where Mr. Rubin was attending a meeting of finance ministers from North and South America.

["The up-front money was designed to be more than sufficient to deal with the issue, given the strength of the program and on the assumption that the program is diligently pursued," he said. "The backstop money is there if for some reason there is a need for additional resources."]

The $5 billion U.S. contribution will come from the Exchange Stabilization Fund, a pool of money that the president can use at his discretion to maintain stability in currency markets. Use of the fund does not require approval by Congress, where there is some resistance to such international bailouts.

The package still needs formal approval by the IMF executive board, which is expected as early as Thursday. Until then, full terms of the agreement were not being made public.

Nevertheless, officials and press reports say Seoul agreed to curb growth, clean up ailing banks through mergers or closures and open its market more to foreign goods and investors.

Seoul will also put some restrictions on its sprawling industrial conglomerates, or *chaebol*, whose free-wheeling spending is considered a major cause of the nation's bad debt problems.

The Korean stock market, after plunging early in the day, rallied at the end of trading to close up 0.65 percent, ending nine days of consecutive decline.

The rally was fueled by reports that the IMF agreement would raise the limit on how much of a Korean company's stock can be owned by foreigners from 26 percent to 50 percent immediately and to 55 percent next year. That portends an influx of foreign money into the stock market.

The rescue package was urgent because South Korea's foreign currency reserves are believed to be nearly depleted, making it difficult for the nation to pay its foreign debt. Some $66 billion of that debt is due within a year and about $20 billion by the end of this year.

With the new austerity program, many economists predict unemployment, now at about 2.5 percent, will double or even triple as widespread layoffs mark a nation in which lifetime employment is considered a right.

Lee Jeorg Ja, head of research for the Seoul branch of HSBC James Capel, a securities house, said she would not be surprised to see as many as a quarter of the companies listed on Korea's stock exchange go bankrupt. She said the economic downturn would last two years, but other analysts said they thought it would be longer.

"I would say we're not going to see any return to growth over 5 percent for the next few years," said Eugene Ha, head of research at J. Henry Schroder in Seoul. South Korea is expected to grow about 6 percent this year but the target for next year under the IMF plan is about half that.

In addition to bemoaning the pain, there was also some anger here that the nation had surrendered control over its economy. It appears that the IMF program, which was strongly pushed from behind the scenes by the United States, obtained some trade concessions.

"With the complete opening of Korea's financial market, foreign capital will virtually be in control of the profits and management of Korean companies," a newscaster on the state-owned Korean Broadcasting System said Wednesday night. He also warned, "U.S. automobiles and Japanese products are expected to pour into Korea."

GORBACHEV: *Last Soviet Leader Pays Tribute to Capitalism's Greasiest Offshoot*

Continued from Page 1

slice of pizza, but sips coffee as he watches his granddaughter dig in happily.

Though the ad was shot in Moscow last Thursday, there are no plans to broadcast it in Russia. Esteemed in the West as the statesman who ended the Cold War, Mr. Gorbachev is extremely unpopular in Russia, where he is blamed for allowing the Soviet Union to fall apart and for not having pushed reform of the command economy far enough. When he ran for the presidency last year — his first campaign for public office — he won less than 1 percent of the vote.

To put it another way, Mr. Gorbachev's endorsement of Pizza Hut could well cause sales in Moscow to drop dramatically.

"Here in Russia, it will be understood one way," Mr. Gorbachev said of the ad, which has already been ridiculed in the Russian press. "In other places, it is nothing unusual. I see my colleagues, former presidents, and your presidents, too, taking part in campaigns."

Actually, Mr. Gorbachev may be breaking new ground for statesmen. Margaret Thatcher and Helmut Kohl have never made commercials. Even in America, where celebrity endorsements are part of the cultural fabric, no former president has taken quite so bold a step.

In 1996, George Bush made an unpaid ad for the Houston Astros, the baseball team, as a favor to its owner, Drayton McLane. His vice president, Dan Quayle, did a commercial in 1994 for Frito-Lay potato chips and was paid $50,000.

Since leaving the Kremlin, Mr. Gorbachev has marketed himself as a newspaper columnist, memoirist and highly paid speaker, and made a cameo appearance in a Wim Wenders art film, improvising a soliloquy on Dostoyevsky.

He has already made an ad for Apple computers in Germany, but he said that by starring in the Pizza Hut commercial he was taking a step he had previously considered "unsuitable" for someone of his standing.

He complained that President Boris Yeltsin had stripped him of much of the office space he was allotted after he resigned from office on Dec. 25, 1991, and had deliberately thwarted his fund-raising efforts.

Executives at Pizza Hut seemed dismayed that Mr. Gorbachev had spoken about his coming cameo so soon, and would not disclose when the ad was expected to run or provide a still photograph from the video.

But one company executive explained Pizza Hut's interest in attaching Mr. Gorbachev's name to its pizza this way: "We are constantly striving to take our advertising to a new edge. And we have a new commercial that the whole world will want to watch."

CHAEBOL: *Under Pressure to Change*

Continued from Page 1

the widespread view around the headquarters of the 50 or so chaebol that the IMF sees them as the enemy in the battle to put South Korea's house in order — and open its doors to foreigners.

The Federation of Korean Industries, a kind of club of chaebol chairmen and presidents that operates from its own imposing office tower in Yoido, Seoul's financial district, spoke for an entire class of mercantile elite in a statement issued Wednesday just as the IMF and the government came to terms.

"In Thailand, Mexico and other countries receiving IMF funds, has the IMF ever demanded the dissolution of conglomerates?" asked planning officers from the 30 largest chaebol. "We understand that the IMF apparently called for resolving the problem of the chaebol's heavy borrowing practices."

The clear implication was that the IMF had failed to appreciate the nerve of the chaebol, each founded by one man and almost all still under family control, in daring to borrow an average of four times their worth — and turn South Korea from a pauper to a prince among mercantile nations.

"Without the chaebol, how can the country survive?" asked a senior director in the marketing department of Hyundai, who asked not to be named. Like many in his position, he did not have to be told the terms of Wednesday's IMF agreement to know that he opposed it.

"The IMF is intervening in the sovereignty of our country," he said. "Many people are afraid of what the IMF will do to the chaebol and to our country."

All that the IMF has done, at least publicly, is to ask a few pointed questions about how deep the chaebol are in debt and what they intend to do about it.

Then, as a finance ministry official put it, the IMF "urged us to present measures to improve their corporate governance system as well as financial structure."

Blaming South Korea's troubles on foreigners is common. Some Finance Ministry officials and chaebol executives this week have blamed the United States for influencing the IMF to negotiate for the reduction of chaebol power — and for foreign interests to be able to own up to 50 percent of stock in a South Korean company.

"The United States may have played some role behind the IMF call with the aim of holding Korean firms in check in the world market," a man described as a senior executive at a leading chaebol was quoted Wednesday in the South Korean press as saying. That is a view that runs deep in society.

"We oppose freedom for foreign investment in financial markets," the Korean Confederation of Trade Unions, which represents 600,000 workers, said Wednesday. "Opening of our financial markets won't help solve the problem. Rather, it will bring us into slavery."

In fact, the IMF advised what many South Korean officials themselves have been urging for years — that the chaebol do away with some of the cozy arrangements that typically bind a group together even though no chaebol actually has a single distinct holding company.

IMF and government negotiators agreed in principle that the loose payment guarantees among chaebol subsidiaries, which commonly buy and sell a wide range of products from each other, are one reason why some companies are in such deep trouble.

One obvious solution, demanded for years by foreign bankers and investors, would be a requirement that the chaebol issue consolidated statements that reveal the precise financial realities of each company within each group. Another commonly urged measure would be to crack down on the system under which companies within a chaebol extend easy credit to one another with little accountability, a system that has been blamed for huge losses. The chaebol, with their longstanding contacts at major banks, sop up so much credit that banks have little left to lend small- and medium-size enterprises.

One immediate result of the country's financial predicament is that the chaebol will have to get rid of money-losing entities, many of them run by relatives of chaebol chieftains who want their children, grandchildren to gain some experience and show what they can do.

"Inefficient companies must go," said Park Ho Won of LG Securities, an offshoot of the LG Group, South Korea's third largest chaebol. "That is the lesson we are learning at the expense of national pride."

Some of the chaebol, at least, have responded by announcing cost-cutting measures that seem to recognize that the conglomerates cannot continue amassing huge debts and hope to stay in business.

On Wednesday, the Daewoo group of companies announced a 15 percent salary cut for executives, a 10 percent cut for managers and a freeze on pay for the rest of the 200,000 people on the payroll. "Everyone will share the pain," a company spokesman said.

While issuing such pronouncements, however, the chaebol are also likely to fight a rear-guard battle against what many of their leaders and workers see as an IMF effort to destroy them.

"Rather than dismantling chaebol," an employee of LG said, "what is urgently needed is the installation of various systems supporting corporate restructuring." That statement reflects a widespread view among chaebol workers.

Ex-Energy Chief Cleared by Reno

Washington Post Service

WASHINGTON — Hazel O'Leary, who concluded a rocky tenure as secretary of energy only to face allegations of wrongdoing growing out of the campaign finance controversy, has been cleared of improper behavior by Attorney General Janet Reno.

Ms. Reno said Tuesday that Justice Department investigators found "no evidence" that Ms. O'Leary was personally involved in soliciting a $25,000 donation to a charity she headed from a visiting Chinese petrochemical official who wanted an audience with her in 1995.

The attorney general said she would not seek an independent counsel to continue the investigation.

In a statement issued Tuesday, Ms. O'Leary called the meeting with the Chinese official "an expected diplomatic courtesy" and the allegations "ludicrous."

INQUIRY: *Reno's Refusal to Name Counsel Spares White House*

Continued from Page 1

tion's premier law enforcement agency.

Still, had Ms. Reno gone the other way, matters would have been much worse for the White House, and Mr. Gore, more so than his boss, stood to suffer acute political damage regardless of the ultimate legal outcome. Previous investigations by independent counsels have dragged on for years, and the one rejected by Ms. Reno surely would have lasted at least until the presidential election season.

Far beyond the immediate issue of the 40 telephone fund-raising solicitations Mr. Gore has acknowledged making from his White House office, an outside probe would keep alive at least in the political arena the larger questions surrounding the tactics employed by the Clinton-Gore campaign to collect large sums of campaign cash.

"Absolutely, he is better off," said Tom Rath, the Republican national committeeman from New Hampshire, home of the first presidential primary in 2000. "He doesn't have to fight a two-front war — with lawyers on one side and politicians on the other."

A Republican pollster, Bill McInturff, drawing on the case of one of his clients, Fife Symington, who resigned as Arizona governor after being convicted of filing fraudulent financial documents, said, "It is not a happy thing to go through an election, as he did, when you're under federal investigation."

But Mr. McInturff reinforced Mr. Rath's view that "the tarnishing of Gore's image has already happened: The visit to the Buddhist temple will remain in people's minds. The question has been planted, and it won't go away."

The impact on Mr. Clinton, on the other hand, seems less direct. To date, the campaign controversy has only dented his strong standing in the polls. With no more elections in his future, the primary political concern was the effect a special prosecutor would have on his ability to govern and his historical legacy. According to several pollsters and scholars of the presidency, Mr. Clinton came away from the Reno decision as strong — or as weak — as he went into it.

"I'm not sure it will make a difference," said Jeffrey Tulis, a University of Texas political scientist. "He seems to me remarkably unfazed by all of this. But if you think he's not accomplishing much now, he won't be able to do more because of this."

Linda DiVall, another Republican pollster, saw negative fallout for the president, the vice president and the Democrats in general.

"The credibility of the attorney general is now in question," she said, "and that is as damaging to Clinton as John Mitchell's downfall was to Richard Nixon." Mr. Mitchell was the attorney general implicated in Watergate and imprisoned.

"This has the potential to be a significant campaign issue next year," by "intensifying the anger of core Republicans against the whole Clinton administration," she added.

But Ed Sarpolus, a Democratic pollster in Michigan, said: "The public is not paying as much attention to all this as the Republicans would like. As long as the economy is good, they will pass this off as typical of what politicians do. They don't see that what Clinton and Gore have done has harmed them personally."

ITALY: *Guilty Verdict*

Continued from Page 1

Mr. Berlusconi's conviction was handed down in a case involving the 1989 purchase by Fininvest of Medusa, a film company which, according to the court, had a reported sale price of about 30 billion lire ($17 million), which in reality was 20 billion.

According to prosecutors, Mr. Berlusconi and four business associates set aside the 10 billion lire difference for an illegal slush fund.

In her final statement, Margherita Taddei, the public prosecutor in the Medusa case, said that the philosophy behind the tampered books was to create a slush fund. "The creator of the system was Silvio Berlusconi," said Ms. Taddei, who had sought a 20-month sentence for the former prime minister.

Another Fininvest executive, Carlo Bernasconi, was also sentenced Wednesday, while three other company officials were found not guilty.

In another case, Mr. Berlusconi stands accused of authorizing bribes by one of his companies to Italian tax inspectors in return for lenient audits.

Also, he has been charged with channeling money to politicians, including the former Socialist prime minister, Bettino Craxi, now in self-imposed exile in Tunisia.

Jens Meyer/The Associated Press

SNOWY SNARL — Cars and trucks creeping through slush on the autobahn near Erfurt, in eastern Germany, on Wednesday after heavy snowfalls in the area. The spell of wintry weather has disrupted transport around the country.

REACTORS: *Canada Is Still Exporting*

Continued from Page 1

policy of aggressively exporting them to countries with limited experience in regulating, and in some cases simply operating, nuclear reactors.

Since 1952, according to one estimate, Canada's nuclear industry has received more than $10 billion in government subsidies. It sold 11 reactors overseas, including the two to China.

But Canada has repeatedly been scolded by its own citizens and other nations for selling reactors to authoritarian governments in Argentina, Pakistan and Romania.

In 1974, India exploded a nuclear device it admitted had been made with plutonium from a reactor purchased from Canada.

Yet, the Canadians continue to circle the globe trying to peddle the same reactors that have proved so difficult to manage in their own backyard. One of three bids opened by the Turkish government in October came from Canada. And Canadian officials continue trying to sell more to Hungary, Indonesia, the Philippines and Thailand, not to mention repeat sales to China, South Korea and Romania.

"All this has to do with a very deeply rooted historic question of technological prestige that has its roots in the nuclear weapons programs of the Second World War," said David Martin, research director for Nuclear Awareness Project, an environmental group in Ottawa. "Our nuclear research effort was a way to try to rearrange the world's picture of Canada."

The government defends the program, saying that each export sale creates thousands of jobs at home. But critics charge that the government's obsession with the reactor blinded it to the project's serious shortcomings.

A crown corporation, Atomic Energy of Canada, Ltd., was formed in 1952 to market the Canadian design, called the CANDU — for Canadian Deuterium Uranium. One of the strongest selling points was the CANDU reactor's unique ability to be refueled while operating. This helped the reactors achieve industry-leading performance in their early years.

The reactor's reliance on heavy water also made it a formidable producer of plutonium, which could be used to make nuclear weapons.

The plutonium can be extracted without shutting down the unit, and thus in comparative secrecy.

A Boring Saturday Night for 2 Youths in France

Agence France-Presse

CAEN, France — Two youths were arrested here after they tried to take off in a 68-passenger plane and fly it to a town central in France, the police said Wednesday.

The youths, aged 15 and 16, climbed aboard a twin-engined ATR 72 on Saturday night and took it down the runway, attaining a speed of 180 kilometers an hour (110 mile an hour) before stopping for fear it did not have enough fuel.

The police did not identify the youths, who were arrested Monday and brought before a juvenile court Tuesday.

Both aviation fanatics, one was training for a pilot's license at a club here and the other had been drawing up flight plans on his computer, the police said, adding that the two tried to have the plane refueled but were afraid an airport worker would recognize them.

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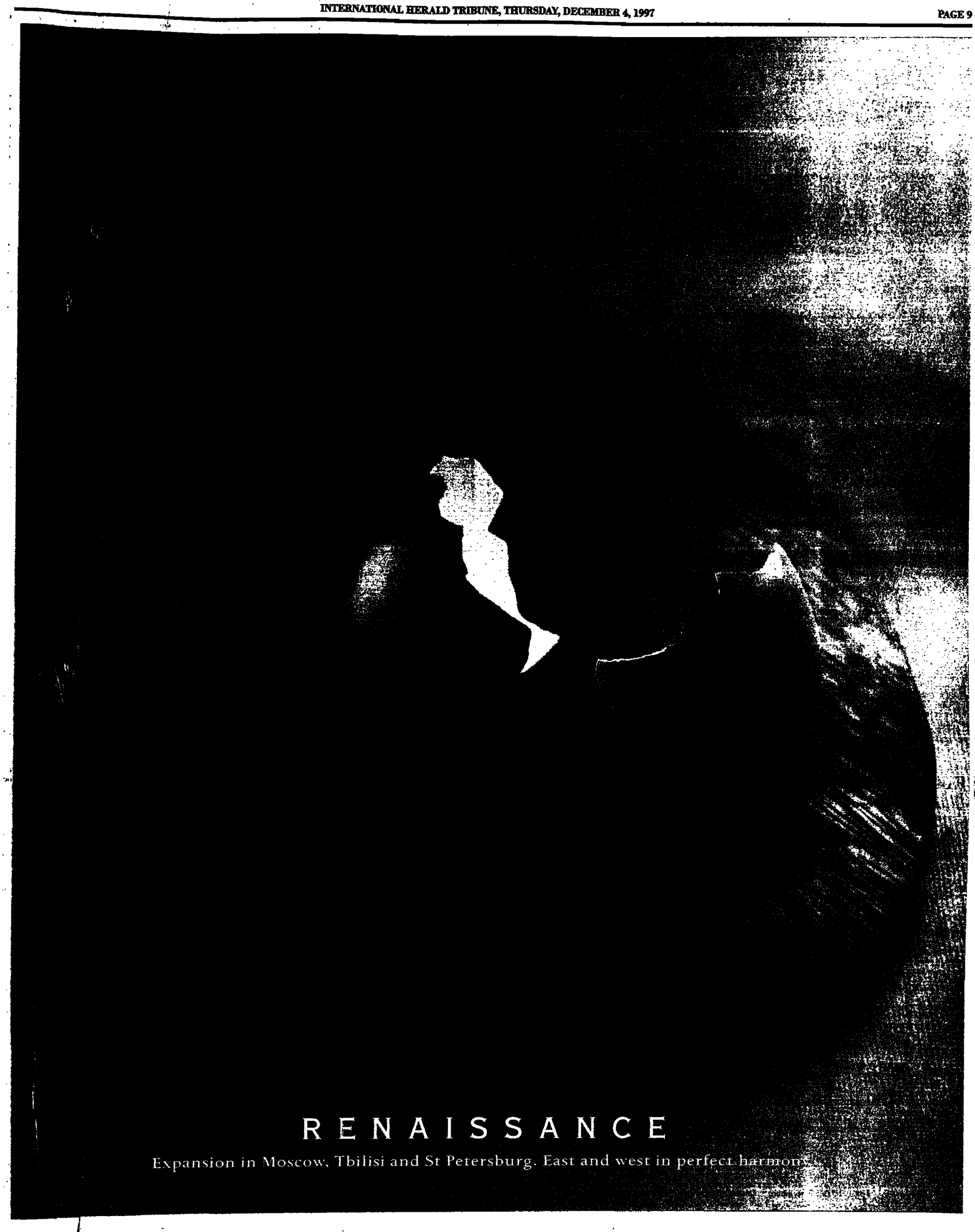

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INTERNATIONAL

Tales of Hiding Gold From the Nazis

Europeans Trade Stories of Their Doomed Subterfuges During War

By John Burgess
Washington Post Service

LONDON — In September 1943, officials at the central bank of Italy were certain of what was coming: The Germans who had seized control of much of the country would show up at the bank to cart off its gold. So they hatched a plan: hide half the gold and create false documents indicating that it had been shipped to a city about to fall to the allies.

An underground vault was prepared for the gold. Workers built a 9-inch-thick wall in front of the door and plastered it over, using fans and electric lamps to dry it quickly and make it look old.

That account, offered by the Bank of Italy, shows that officials in the countries that Germany conquered during World War II sometimes showed remarkable pluck in trying to defend their gold from Nazi looting. They used subterfuge and last-minute shipments abroad. They launched campaigns of letter-writing and court filings aimed at shaming the Germans into playing by the rules.

But they rarely succeeded, generally losing their ingots to the German Reichsbank, which used it to finance the war.

As delegates from 41 countries met in London on Wednesday for a second day to discuss the theft of Europe's gold and what became of it after the war, those are among the stories being shared. While it is always easier to recount resistance than surrender, some of the tales had sufficient credence to be used after the war in the counties' efforts to get the missing gold back.

Even before the war began, much of Europe felt Germany had its eyes on their gold. In a report to the gathering, the delegate from the Czech Republic said that at the time of the Munich conference in 1938, which ceded Czech soil to Germany, the central bank of Czechoslovakia had sent about 93 percent of its gold stock to such foreign depositories as the Bank of England.

After the Nazis marched in, a German representative arrived at the bank, and, with a threat of summary execution, forced two bank directors to draw up orders to the Bank of England to transfer about 50,000 kilograms (110,000 pounds) of Czech gold to Germany.

Czech officials quietly asked the British Embassy to block the transfer in London, but about half of it was turned over anyway, according to the Czech account. The other half, which became a political issue for British opponents of the Munich accord, stayed in London.

Winston Churchill, soon to be Britain's prime minister, expressed outrage, the Czechs say, calling the transfer "butter-fingered" and declaring that Germany would only use the gold to buy more weapons.

Sweden, a neutral country that traded in gold with Germany during the war, offered in its statement an account of Belgium's futile attempts to hang onto its stock. Some of it ended up in Sweden at war's end.

Shortly before the war, Belgium entrusted more than 200,000 kilograms of gold to the Bank of France. In June 1940, word reached officials in Belgium that the French had decided to move much of their own gold to Dakar, the capital of Senegal. The Belgians sent word: Take ours, too, please. Traveling aboard French Navy vessels, the gold arrived in Dakar on June 28. But with Germany soon in control of France through the Vichy government, the gold was returned from Africa, coming in through Marseilles. Later it was transferred to the Reichsbank, in a "sale" forced by Germany.

In a communication to the German government in December 1942, officials at the Belgian central bank protested the terms of the transaction and said the bank would not accept Germany's payment in marks, which could only be used to buy German goods. France supported the Belgians, saying the gold should be returned. The Germans ignored the demands.

The Netherlands tried to send much of its gold to London in the days before Nazi troops crossed its border. But a small boat taking it to a larger one for shipment across the channel hit a mine and sank.

The Germans managed to salvage nine and a half tons of gold from the wreck. In 1941, a German court of arbitration granted them the right to keep it, even though the site was not in international waters. The Dutch appealed, but the court never took up the issue through the duration of the war.

The Italian ruse, probably the most courageous recounted in the documents, was ultimately a failure.

The Bank of Italy reported that, according to court testimony after the war, the bank's governor at the time, Vincenzo Azzolini, was called to the Ministry of Finance after the gold was hidden and got the impression that the Germans knew precisely how much the bank had. Fearing reprisals, he ordered the wall torn down and the gold restored to its normal place.

Land-Mine Treaty Signing Begins

Compiled by Our Staff From Dispatches

OTTAWA — More than 125 nations on Wednesday began signing a treaty banning anti-personnel land mines, weapons that Prime Minister Jean Chretien of Canada said caused "extermination in slow motion."

The Canadian foreign minister, Lloyd Axworthy, who has lobbied for the ban over the past year, was the first to sign, and Mr. Chretien immediately presented Canada's instrument of ratification to the United Nations secretary-general, Kofi Annan.

"Given the pressure from the people, from the grassroots, I really do not think any government can sit out this movement for long," Mr. Annan said. "It's only a matter of time."

Mr. Chretien said more than 125 countries would sign the treaty Wednesday and Thursday, but the world's biggest military powers, the United States, Russia and China, were only observers at the treaty conference.

Canada was followed by Norway and South Africa, in tribute to their roles in rallying other nations to support a ban.

Most Middle East countries, including Iraq, Iran, Israel and Syria, as well as Afghanistan, were also not signing, but most nations of Africa, Latin America and Europe were.

"The most powerful voices here in Ottawa will not be the ones inside this conference site," Mr. Chretien said.

"They will be the cries of the victims of land mines, from the rice fields of Cambodia to the suburbs of Kabul, from the mountainsides of Sarajevo to the plains of Mozambique."

The number of signatories is more than twice the number of countries that originally backed the ban. Nations have rushed to sign on, just 14 months after Mr. Axworthy challenged participants at a conference in the same hall to return to Ottawa to sign a ban at the end of 1997.

The anti-land mine activist Jody Williams said at the conference that Mr. Axworthy's challenge initially had horrified the diplomatic community because it went outside the slow-grinding disarmament conference at the United Nations in Geneva.

"Who would have expected that within such a short time the governments of the world would have responded to a band of NGOs calling for a ban on a weapon in widespread use?" asked Ms. Williams, referring to nongovernmental organizations. She represents the International Campaign to Ban Land Mines, which in October won the Nobel Peace Prize.

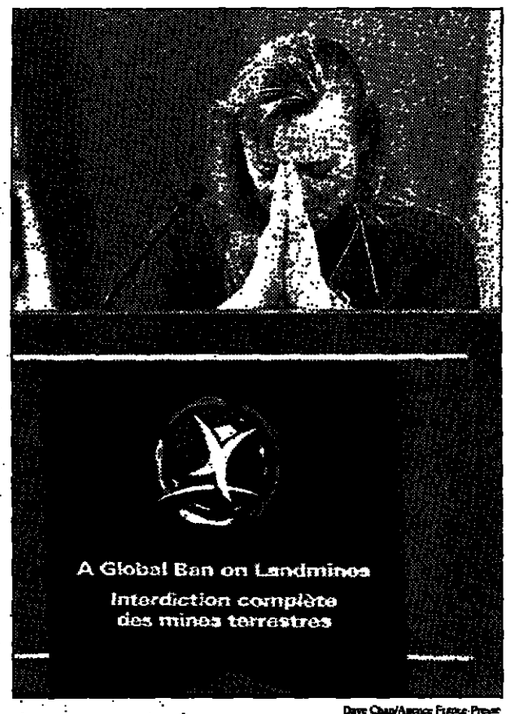
Momentum for a ban built up this year, and the cause was popularized by the death of Diana, Princess of Wales, this summer. She had drawn attention to amputees.

"The late Princess of Wales seized the attention of the world when she exposed the human cost of land mines," Mr. Chretien said.

Between 60 million and 100 million anti-personnel land mines are dotted around 69 countries. They kill civilians long after wars have ended and render useless vast tracts of arable land in some of the poorest countries.

The mines kill or maim more than 25,000 people a year, mostly women and children.

Mr. Annan told the conference: "We must now turn our imaginations to the cause of mine clearance so that the victory of today does not become a hollow one." *(Reuters, AP)*



Dave Chan/Agence France-Presse

Jody Williams, the anti-land mine activist, pausing during her speech Wednesday at the Ottawa conference.

A 'Garbage' Weapon That Lies in Wait

Disabled Vietnam Vet Decries America's 'Hollow' Decision to Stay Out

By Francis X. Clines
New York Times Service

WASHINGTON — Bobby Muller was blown from the ground by a land mine once and recalls it as a kind of ludicrous tumbling. He landed uninjured, propelled off a Vietnamese road by the shock wave, not the shrapnel, of the infernal thing.

"Just like being in a cartoon," Mr. Muller said, punctuating the memory with tight laughter as he recounted his singular, 28-year odyssey from Marine warrior to postwar scourge of the scores of millions of land mines now haunting the earth like a subliminal plague.

Mr. Muller, 52, marched away from that land-mine explosion only to be left a paraplegic by enemy gunfire not much later in 1969.

Recently, rocking in his wheelchair, Mr. Muller angrily called the land mine a "garbage" weapon. "That's right," he said. "Three-dollar anti-personnel land mines have killed more people than all the Cold War weapons of mass destruction combined."

An estimated 26,000 innocent people are killed or wounded by such mines each year across the globe.

The multinational grassroots movement to ban mines that he organized six years ago was honored with this year's Nobel Peace Prize. But as the movement reached a crowning moment Wednesday and Thursday in Ottawa, with the signing of a treaty among more than 125 nations banning land mines, Mr. Muller, for all his success, will be a thoroughly bittersweet presence, he admits.

"The signing's extraordinary, but it's at risk of becoming a hollow treaty if the U.S. isn't brought on board," he said. "It's ironic and sad that this country, which played so important a part in getting this campaign off the ground, is, at the end of the day, a no-show."

The Clinton administration is holding out at being a signer despite international pleas and pressures.

The Vietnam War rendered Mr Muller hopelessly militant — first as a founding organizer of aggrieved Vietnam veterans, and then as a leader of anti-war vets, too. He was among the first to galvanize postwar missions of mercy back to Indochina, bearing the latest in American prosthetics to help those with lost limbs.

Some years later in Cambodia, he was shocked by the legions of civilians he encountered freshly maimed by mines in that civil war. His dark epiphany was that land mines were the grisly common denominator for a demanding new cause.

"These weapons have become probably the most destabilizing factor in Third World countries today that are recovering from conflict," Mr. Muller said, noting estimates that the earth remained seeded with perhaps 100 million land mines claiming dozens of fresh victims daily.

President Bill Clinton, while proclaiming opposition to land mines, argues that there are substantial strategic reasons for not signing and for taking a different approach, in part to protect U.S. troops stationed in such places as South Korea. But Mr. Muller, a scarred veteran of political battles in Washington, says the president told him flatly one day that he simply could not risk a breach with the Pentagon establishment by daring to sign the ban.

While opponents present "slippery slope" arguments that more vital weapons would be targeted next, Mr. Muller contends that the Pentagon is institutionally incapable of ever renouncing even the most counterproductive weapon unless there is firm pressure from the commander-in-chief.

"That's the whole crux of this issue," said Mr. Muller, who has enlisted an array of retired military brass, including General Norman Schwarzkopf, the U.S. commander in the Gulf War, to endorse the ban in an open letter to the president, arguing that anti-personnel mines are not essential and are inhumane.

Anticipating the next round, Mr. Muller plans to have his organization, the Vietnam Veterans of America Foundation, out on the congressional campaign trail next year and in the presidential election to follow, aiming to put public pressure on Vice President Al Gore and any other political aspirant rated lukewarm on such a globally populist issue.

The Muller organization was the core group in the International Campaign to Ban Land Mines, the coalition that in less than a decade grew to more than 1,000 organizations in more than 60 countries and won the Nobel Prize.

The prize instantly brought worldwide celebrity to the international group and its American coordinator, Jody Williams.

Mr. Muller remained in the background, delighted that the Nobel committee, in making the award, openly expressed the hope that all nations would sign the treaty.

"There is so much romanticized gobbledygook going on out there today about people clattering away on e-mail and moving the world on this issue," Mr. Muller said, scoffing. "Nonsense. This is Basic Politics 101. It's political strength. It's money."

BRIEFLY

2d South Africa Farmer Killed

JOHANNESBURG — A second white farmer and his wife have been murdered in South Africa, prompting a warning Wednesday by a rightist leader that farmers would take the law into their own hands to ensure their safety.

The police said the victims were found shot on their farm in eastern Mpumalanga Province. On Sunday, another farmer was shot dead by burglars in North-West Province.

The latest killings bring to at least 16 the number of white farmers murdered in the past month.

The leader of the rightist Freedom Front, Constand Viljoen, said that farmers had had enough and would "take responsibility for their own safety." *(AFP)*

Easier French Visas for Algerians

PARIS — France will ease visa requirements for Algerians to show its solidarity with "a martyred people" who are the target of violence, Foreign Minister Hubert Vedrine told the National Assembly on Wednesday.

Mr. Vedrine said the Socialist-led government sought to make relations with the French easier so that Algerians did not feel abandoned.

Civil strife has claimed about 65,000 lives in Algeria since the government in 1992 canceled a general election that Muslim fundamentalists were poised to win. *(Reuters)*

U.S.-Cuban Effort on Migration

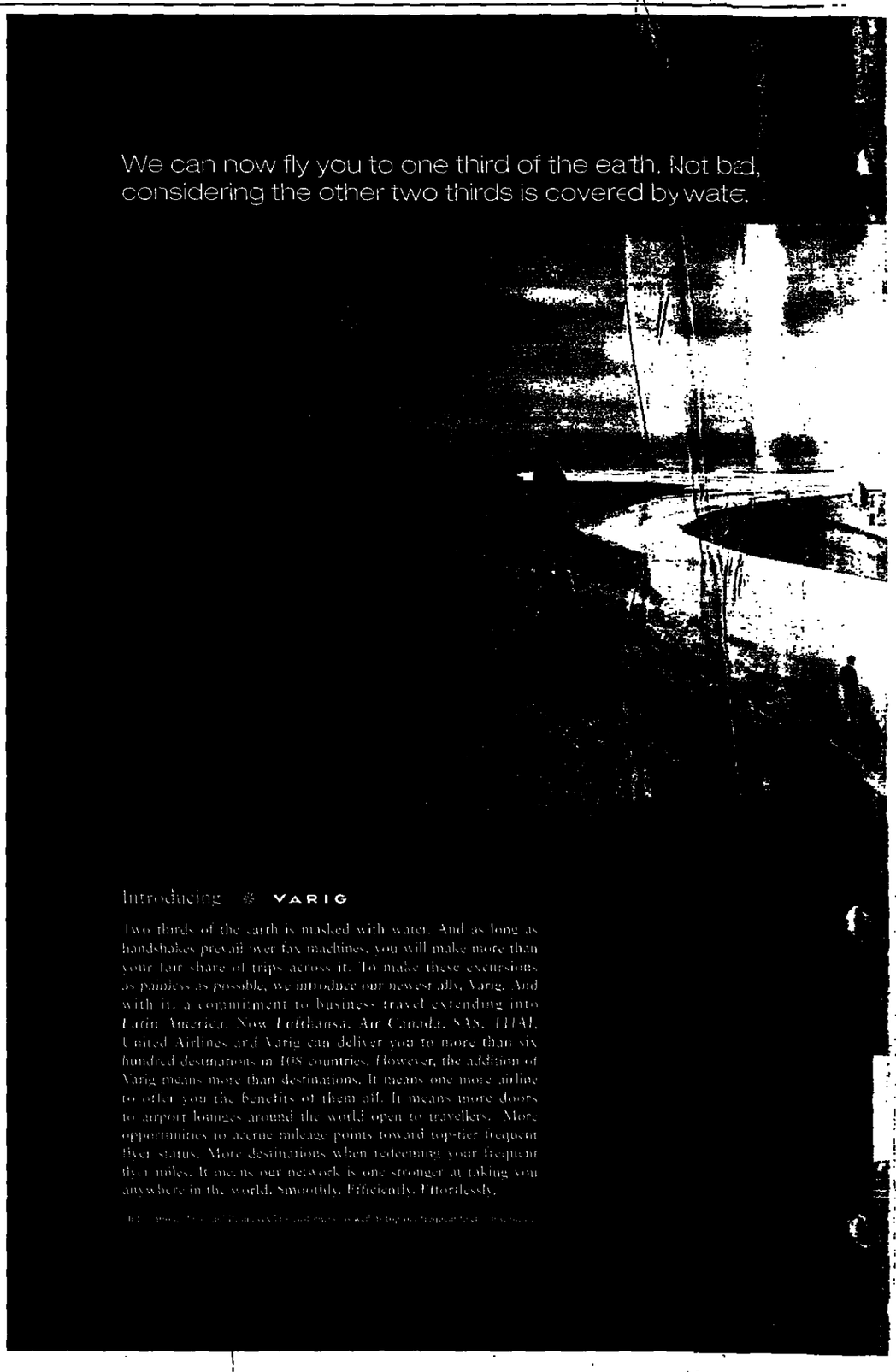
HAVANA — A senior American official has said that as part of their cooperation on migration issues, Washington and Havana have exchanged information on how to stop smuggling of illegal migrants.

The official, John Hamilton, head of the U.S. delegation at bilateral talks, said Tuesday that the United States had proposed and held a seminar for Cuban immigration authorities in September to show them samples of false documentation used by human smuggling rackets. *(Reuters)*

Pre-election Gunfire Hits Jamaica

KINGSTON, Jamaica — At least 3 people were wounded by pre-election gunfire when motorcades from two major parties traveled through August Town, a volatile area on the eastern fringe of this capital city.

Motorcades from the governing People's National Party and the opposition Jamaica Labor Party were fired upon Tuesday. Fifty-four candidates have presented themselves for the parliamentary elections scheduled for Dec. 8. *(Reuters)*



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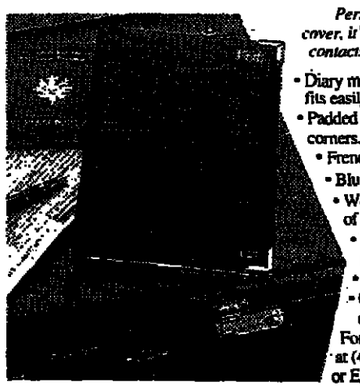

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EUROPE

Yeltsin Vows 40% Cut in Russia's Baltic Forces

By Daniel Williams
Washington Post Service

MOSCOW — President Boris Yeltsin created another strategic sensation in Sweden on Wednesday by pledging to cut Russian military forces around the Baltic states by 40 percent.

"From Jan. 1, 1999, Russia will unilaterally reduce — and I am saying this for the first time — by more than 40 percent its land and naval units, especially in northwest Russia," Mr. Yeltsin said to the applause of the Swedish Parliament.

"It is not easy but we will solve this."

On Tuesday, during his state visit to Stockholm, Mr. Yeltsin surprised the Swedes and his own entourage by pledging to reduce nuclear forces by a third.

That off-the-cuff statement was immediately modified by aides who said that Mr. Yeltsin was "tired" and that the offer might be part of future arms control negotiations.

On Wednesday, however, Mr. Yeltsin spoke from a text and, at NATO headquarters in Brussels, Defense Minister Igor Sergeyev confirmed Mr. Yeltsin's plans for cuts in both land and naval forces.

Mr. Sergeyev said troops would be pulled from Kaliningrad, a Russian enclave between Lithuania and Poland, as well as from the St. Petersburg area. The Russian Baltic and Northern fleets will also be reduced, he said.

The proposal appeared aimed at assuring Lithuania, Latvia and Estonia that Russia is no threat to them, in line with Moscow's assertion that they need not join NATO for self-defense. All three countries rejected a recent Russian proposal to offer them security guarantees.

"I'm sure that the Baltics will become a region of firm trust, stability and security," Mr. Yeltsin said in his speech. "We want a common border that does not divide us but makes us closer," he continued, "a border of peace, not strife."

In practical terms, his pledge is a statement of existing reality. Russia's forces are only nominally at 100 percent strength in northwest Russia or, for that matter, anywhere else.

The readiness of units has been eroded by the necessity for soldiers to find work to supplement low and frequently delayed wages and by a general deterioration of equipment.

Moreover, since the Yeltsin government has announced plans to slash Russia's entire troop levels by more than a third over the next few years, a reduction in frontline Baltic troop levels would be likely.

The Baltic cuts are part of an overall reorganization of the military announced in July, Mr. Sergeyev said.

The pledge is aimed at capitals beyond the Baltic Sea, Russian observers said.

For Washington and west European capitals, already embroiled in debate over how to fund NATO expansion into Poland, Hungary and the Czech Republic, Mr. Yeltsin portrays Russia as no threat. "This is a way Russia can attract positive attention to itself," said Dimitri Trenin, a military analyst.

"Yeltsin wants to show a Western audience and not just the Baltic states that he's a nice guy. It's not a hollow statement and politically, it's pretty savvy."

The strategy represents a shift from tactics employed about a year ago.

Then, in the face of the proposed NATO expansion, the Russians said that Kaliningrad would be made a fortress and nuclear weapons might be targeted on Warsaw. In Sweden, by way of contrast, Mr. Yeltsin proposed setting up a telephone hot line between the Kaliningrad military command and the Baltic countries.

Surprise dovish statements abroad are a periodic feature of Mr. Yeltsin's diplomacy.

In May, he told a NATO summit meeting in Paris that he was going to remove nuclear warheads from missiles. His aides explained that he meant to say that the missiles would no longer target NATO members. A few years ago, on a visit to Warsaw, he said that Poland's entry into NATO would be no problem, only to reverse himself a few days later in Moscow.

Such zigzagging makes it difficult for Mr. Yeltsin to achieve full public relations benefits and positive responses from the West. Praise might help bolster him at home against frequent charges that he is stripping Russia's military might.

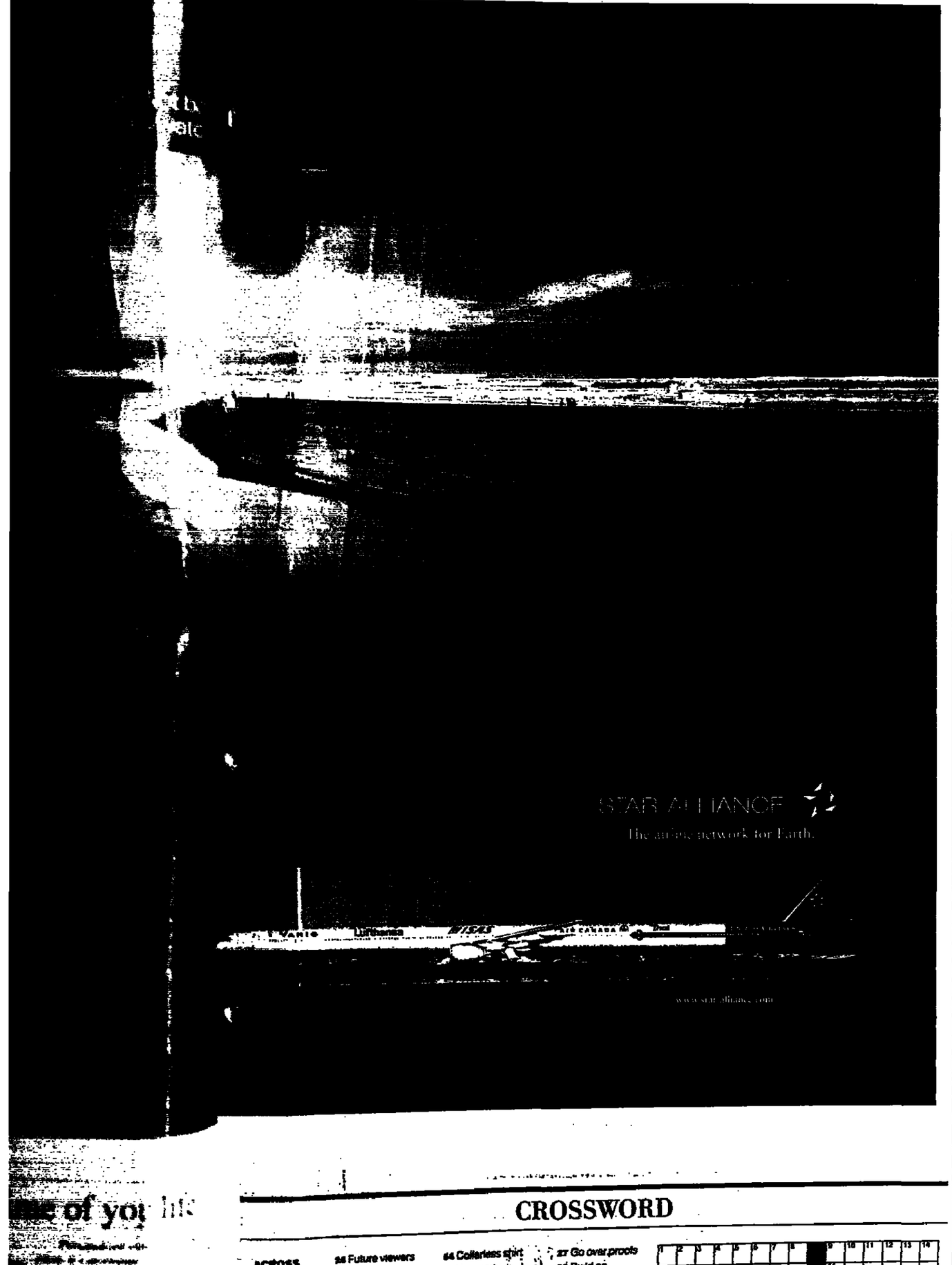
In effect, Mr. Yeltsin has unilaterally reduced Russia's military power as part of a strategy to reduce government spending and shift the country's economic focus from military industry to consumer goods. Future reorganization of the armed forces is designed to cap this policy and make the military more effective.

Reform is supposed to include the merger of anti-missile forces into the navy, incorporation of air defense forces into the air force and decentralization of the command of ground troops. The elimination of "excessive diversification," in Mr. Yeltsin's words, is meant not only to reduce the number of enlisted troops and lower-ranking officers but also to shrink Russia's constellation of generals.

According to the plan, Russia will possess an all-volunteer force instead of a conscript army.

Sergei Chirikov/Agence France-Presse

Brigita Dahl, the speaker of the Swedish Parliament, showing the way to the guest speaker, President Boris Yeltsin of Russia, on Wednesday.



Russia and NATO: Peacemakers Inc.

They Pledge to Accelerate Their Military Cooperation Program

By William Drozdiak
Washington Post Service

BRUSSELS — Hoping to set aside decades of animosity, Russia and the North Atlantic Treaty Organization pledged Wednesday to accelerate a military cooperation program with the goal of building a new security partnership for the 21st century.

Russia's defense minister, Igor Sergeyev, joined his counterparts from 16 alliance nations for their first formal discussions under a permanent joint council. It was set up to ease Moscow's distrust about NATO's decision to incorporate Poland, Hungary and the Czech Republic as full members in 1999.

Mr. Sergeyev and the U.S. defense secretary, William Cohen, also signed a bilateral pact that is designed to increase military exchanges and bolster Russia's demoralized armed forces.

"They are going through a very painful time right now," Mr. Cohen said. "We think it is important to help in a positive, constructive fashion."

All the ministers reviewed an ambitious agenda that includes building on Bosnia peacekeeping efforts, coordinating disaster relief plans, enhancing the security of nuclear arsenals and other measures that could foster a new climate of confidence between former enemies.

NATO officials acknowledge that the new relationship with Russia is struggling through an awkward stage. Moscow's leadership is still resentful about NATO's eastward expansion and remains suspicious about the strategic intentions of the Western military alliance.

For the United States and its allies, there is lingering reluctance to see the nascent council invested with too much authority, keeping it from undermining NATO's basic policymaking institutions. On the other hand, NATO officials acknowledge that unless Russia sees the initiative bear fruit, Moscow could become alienated by the process and abandon any hope of building a true partnership.

Early meetings with Russia's foreign minister, Yevgeni Primakov, and at the ambassadorial level have gone badly. Control over the agenda must be divided among Russia, an alliance member that rotates every month and Secretary-General Javier Solana Madariaga — and this three-way chairmanship has proved to be virtually a formula for paralysis.

While they are dismayed by initial contacts with Moscow's top diplomats, senior NATO officials say they have been favorably impressed by their dealings with Russian military officers, who show a keen desire to learn from the West.

Russians who have served with the NATO-led peacekeeping effort in Bosnia during the last two years have been awarded with big promotions when they return home, and they strongly advocate closer military cooperation with NATO.

Ministers from Russia and NATO countries agreed to work on plans for a series of joint military exercises over the next two years under the alliance's Partnership for Peace program. These military projects now involve 44 countries stretching into Central Asia.

Russia has embarked on a drastic restructuring of its military establishment, with the number of troops under arms to be halved to about 1 million by 2000.

Mr. Sergeyev confirmed reports that Russia was prepared to make unilateral "drastic reductions" in its land and naval forces, mainly in the northwestern and Baltic regions, which he described as the most stable areas along the frontier.

Mr. Cohen welcomed the proposed cutbacks and said the United States was ready to offer its advice after going through a painful ordeal in shutting bases and trimming forces after the Cold War ended.

He said the United States and its allies would offer retraining assistance so that Russia's retired military officers could find work in the private sector.

In addition, the United States has offered its help to fortify Russia's nuclear security.

The U.S. strategic air commander, General Gene Habiger, spent a week touring Russian nuclear installations and told the NATO ministers that he was impressed by the protective alert systems that still appear to be functioning at strategic missile bases.

Mr. Sergeyev said he was pleased by the U.S. assessment.

BRIEFLY

Those Papon 'Saved' Not Jews, Paper Says

PARIS — Maurice Papon's claim to have saved 130 Jews from deportation to Nazi death camps was false because nearly all those he crossed off deportation lists were Roman Catholic, a newspaper said Wednesday, but one of his lawyers denied the report.

Mr. Papon, a Bordeaux police supervisor during World War II, is currently on trial for crimes against humanity for allegedly signing arrest orders that led to the deportation and deaths of 1,690 Jews.

Just before the trial was suspended last month so Mr. Papon could recover from illness, the former official of the collaborationist Vichy regime said he had saved 130 Jews by crossing their names off a list of people to be deported.

The newspaper Liberation, with the front-page headline "Papon's Lie," said it investigated the claim and found "there was practically no Jew on the list of 130 people purportedly saved from deportation by Papon."

"All he did was conscientiously apply the racial laws of Vichy, sorting out 'Aryans' and Jews, condemning the latter to deportation but 'saving' the Catholics that the Germans never had the intention of deporting," the paper said. *(AP)*

Havel Doctor Sees A Risk in Voyage

PRAGUE — Miroslav Cerbak, head of the team of doctors treating ailing President Vaclav Havel, said Wednesday he was worried by the president's plan to travel to the Dec. 13 summit of the European Union in Luxembourg.

"As a citizen, I feel that it is probably a good thing that he's going; as a doctor, I'm worried," Dr. Cerbak told the press agency CTK.

Mr. Havel said Tuesday he would replace Vaclav Klaus, who has stepped down as prime minister, as the head of Czech delegation to the summit.

Mr. Havel's spokesman, Ladislav Spacek, said the president, who is recovering from pneumonia and bronchitis, had consulted with doctors about his decision to go. *(AP)*

Bonn Disciplines 6 Over Nazi Photos

BONN — The Defense Ministry said Wednesday that it had opened disciplinary proceedings against six soldiers who decorated a room in their barracks with pictures of Adolf Hitler and prewar army flags for a drinking party.

The ministry said the incident took place in the southern town of Altenstadt in 1993 but only came to the attention of officers this week, when they received photographs showing the soldiers together with Nazi symbols and pictures.

News of the case broke in the newspaper Bild, which said the soldiers had also shouted extreme rightist slogans during the party. *(Reuters)*

Austrian Elections Planned for April

VIENNA — Austria's coalition government said Wednesday that next year's presidential election would take place April 19 with a second round May 24 if necessary.

Apart from the incumbent, Thomas Klestil, who is seeking a second term as an independent, two other candidates have already declared themselves: Richard Lugner, a building tycoon, and Heide Schmidt, leader of the Liberal Forum.

The rightist Freedom Party, led by Joerg Haider, and the Greens are expected to announce their candidates in the next few weeks. *(Reuters)*

Britain to Ban Sales of Beef On the Bone

The Associated Press

LONDON — As farmers protested falling beef prices, the government announced Wednesday that it would ban all sales of beef on the bone after its advisers warned that bone marrow could contain "mad cow" disease.

Jack Cunningham, the agriculture minister, said the government's scientific advisers concluded there was a risk of material contaminated with bovine spongiform encephalopathy entering the food chain through swellings on nervous tissue near a bovine's spinal cord.

"I have decided we must act on this advice," Mr. Cunningham told Independent Television News, but added, "The risk is very small."

"Ninety-five percent of beef is already eaten off the bone," he said.

But farmers feared the ban would further erode public confidence in British beef and harm their incomes.

"The announcement is bound to spread uncertainty in the mind of the housewife, who is already confused as to whether to buy beef," said David Hill, a cattle breeder.

British beef prices have fallen since March 1996, when the government announced there might be a link between bovine spongiform encephalopathy and a new strain of Creutzfeld-Jakob disease, a similarly fatal brain-wasting disease in humans. Many countries banned imports of British beef. More recently, the strong British pound has forced prices lower.

For the last three days, farmers protesting the low price of British beef have intercepted consignments of cheaper Irish beef coming into the port of Holyhead, northwest of London.

On Monday, farmers dumped 40 tons of Irish beef burgers into the sea.

More than 20 people have died in Britain of the new strain of Creutzfeld-Jakob disease.

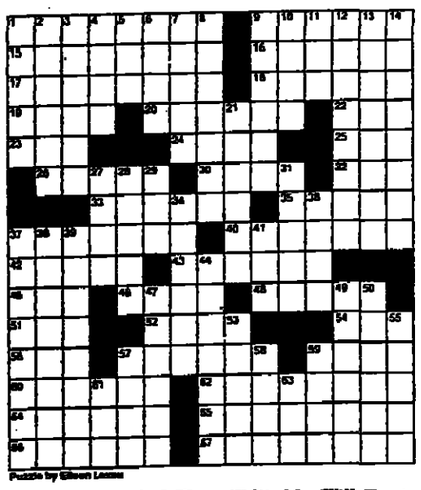
CROSSWORD

ACROSS

1 Flattery
6 Cottonwood trees
14 Song thrush
15 Teatro alla Scala site
17 Liz Taylor movie "— County"
19 Kid-helping org.
20 Cartoonist Peter
21 Combat
22 On a roll
23 Tongues do it
24 Take on
25 Current administration
26 Future viewers
30 Zip
32 Kabuki kin
33 Plan
35 Pool party?
37 Made an effort
40 River to Lake Ontario
42 Declaim
43 100 agorot
45 Worthless amount
46 Make a video
49 "Wall Street" theme
51 Credit-tracking go
53 Ramble
54 Collarless shirt
56 Very easily
57 British bishops' headdresses
58 Checked item
60 One-celled
62 Rather high
64 Fixed over
66 Spread disinformation
68 Lamb output
67 Low-pressure pitch

DOWN

1 Backbreaker?
2 The Wilkeses' neighbors
3 Periphery
4 Up — good
5 J.F.K. lander
6 Other, to Pedro
7 Hebrew starter
8 Taking a glimpse
9 Smiling, evidently
10 Betting odds
11 "When We Were Kings" subject
12 Luddites' targets
13 Mano a mano
14 Some dancing
21 Poet's least favorite fruit
27 Go over proofs
28 Build an embankment
29 Compass pt.
31 "The Bronx Zoo" star
34 Popular place
36 TV part
37 Programming
38 Galleys of yore
39 Troublesome plants
41 Hosp. test
44 Father and son publishers
47 Rebels
48 Prima ballerina
50 Clockwise
53 "Ditto"
55 One of the Kennedys
57 Umpteen
58 Women's magazine
59 I.R.S. employees
61 Logg squeezer
63 D.C. summer setting



Puzzle by Eileen Lester

Solution to Puzzle of Dec. 3

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A	N	V	S		A	L	A	J	E		E	N	D	S

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HEALTH/SCIENCE

TOMORROW: LEISURE

Depressed Children: Be Alert to Often-Missed Signals

By Jane E. Brody
New York Times Service

NEW YORK — A report last month on the successful use of the drug Prozac to treat depression in children as young as 7 might be viewed not so much as a testimonial to the effectiveness of this popular drug but as an alert to warn parents and teachers that children — even very young children — can become seriously depressed.

The National Institute of Mental Health in Bethesda, Maryland, estimates that more than 1.5 million American children under 18 are seriously depressed, and the American Academy of Child and Adolescent Psychiatry puts the number at more than twice that.

The real number may be higher still, and it is almost certainly growing. No one knows the actual number because, child psychiatrists say, depression in children is often missed or misdiagnosed. A depressed child may show few of the hallmarks of adult depression and rarely fulfills the official diagnostic criteria established for adults.

Dr. David G. Fassler, a child psychiatrist in Burlington, Vermont, said: "Very young children who don't yet have the verbal skills to put their feelings into words may never say, 'I'm feeling down,' or, 'I feel like there's no hope left.' Instead, they often act out their upset by behaving in ways that look very unlike what we think of as depression."

In his new book, "Help Me, I'm Sad," written with Lynne S. Dumas (Viking), Dr. Fassler explained: "A child who bullies his baby sister, picks fights at school or suddenly suffers frequent and unexplained aches and pains may be expressing his depression just as surely as the child who becomes tearful and withdrawn."

In a study of 69 children and adolescents by Dr. Anh Nga Nguyen, an expert in childhood depression at the University of Texas, at Galveston, more than 95 percent of the children displayed their anger and depression through improper behavior at school or at home or both. She concluded: "Most of the time, a bad child is really a sad child."

The symptoms of childhood depression vary with age. In an article last year in Contemporary Pediatrics, Dr. Susannah Sherry, director of the Cambridge (Massachusetts) Youth Guidance Center, and Michael Jellinek, chief of child psychiatry at Massachusetts General Hospital in Boston, wrote that in infants and toddlers, depression might appear as a failure to thrive or gain weight normally or as delays in speech and motor development. Dr. Fassler listed a sad or emotionless facial expression, minimal activity, unresponsiveness or withdrawal and excessive or unusually little crying. Preschoolers may wet their pants or fail to control their bowels.

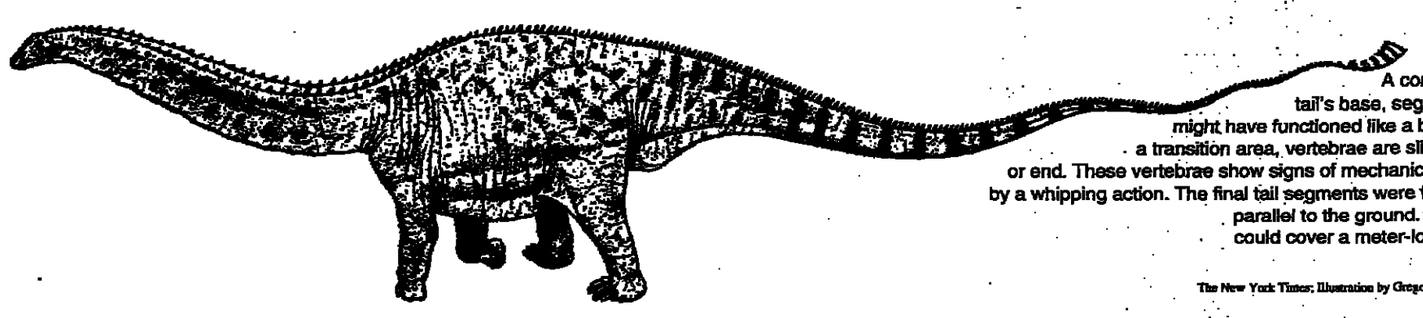
The Massachusetts doctors added, "Their play may be reckless, aggressive, destructive or show a preoccupation with morbid, even suicidal, themes." Or they may have frequent accidents. School-age children may lag in social and academic skills that show up as school phobia, social isolation, a poor self-image, poor grades or antisocial behavior like stealing or lying.

Among older children and teenagers, depression may assume more classic forms, like admitting to sad, bored or empty feelings. But other common characteristics can be deceiving. Consider it a red flag for depression if an older child experiences extreme mood swings, engages in dangerous activities, fails academically, runs away from home, abuses drugs, or steals or lies.

DO not assume that your child will outgrow the problem. Although depression typically lifts even without treatment within about nine months, Dr. Fassler emphasized that it should not be left to run its course. He noted that untreated depression could result in "severe emotional and developmental setbacks" and that the recurrence rate within three years was as high as 50 percent. He added that "the longer the initial episode goes ignored, the sooner the next will occur," and the more likely it will persist into adulthood.

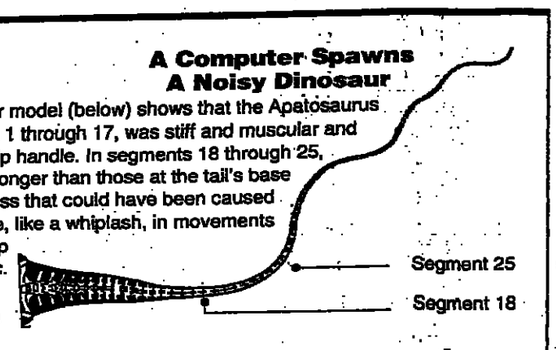
Furthermore, depression in a child affects the entire family and can severely strain a marriage. And when a child's depression emanates from inappropriate behavior by parents, therapy can result in happier and more effective parents as well as healthier children.

Dr. Fassler and other experts insist that treatment for childhood depression is highly effective. "Individual therapy, family therapy, medication and work with a child's school can all help a youngster successfully overcome depression," Dr. Fassler wrote, adding that a combination of these approaches is often the most effective.



A Computer Spawns A Noisy Dinosaur

A computer model (below) shows that the Apatosaurus tail's base, segments 1 through 17, was stiff and muscular and might have functioned like a bullwhip handle. In segments 18 through 25, a transition area, vertebrae are slightly longer than those at the tail's base or end. These vertebrae show signs of mechanical stress that could have been caused by a whipping action. The final tail segments were flexible, like a whiplash, in movements parallel to the ground. The tip could cover a meter-long arc.



The New York Times; Illustration by Gregory S. Paul

Did Dinosaurs Crack the Sound Barrier With Their Tails?

By John Noble Wilford
New York Times Service

NEW YORK — Move over, Chuck Yeager, and give way to supersonic dinosaurs. At least 150 million years before Yeager in 1947 became the first person to break the sound barrier in a rocket plane, the largest dinosaurs, a group known as sauropods, could have mustered the right stuff to send sonic booms resounding over the Mesozoic landscape. No, the 100-ton creatures never got off the ground. All they would have had to do was flick their long tails like a bullwhip.

The idea had occurred to some paleontologists examining fossils of the enormous sauropod tails, which tapered to thin tips. Could they have been used like whips to defend themselves or to produce a loud "crack" to intimidate predators or communicate with fellow sauropods, including potential mates? As physicists have known since 1958, the crack of a whip is actually the shock wave, or sonic boom, caused by the thin tip of a whip exceeding the speed of sound for one moment.

No one had put the idea to a test until a master of computer simulations, Dr. Nathan P. Myhrvold, of Microsoft Corp., struck up an extended electronic-mail conversation with a leading dinosaur expert, Dr. Philip J. Currie, of the Royal Tyrrell Museum of Paleontology, in Drumheller, Alberta.

In analyzing fossils and developing computer models of sauropod tails, the two researchers said they had found evidence that dinosaurs like Apatosaurus (also known as Brontosaurus) and Diplodocus could indeed have flicked their tails to supersonic velocities. But the sonic booms produced by the 3,500-pound (1,580-kilogram) tails of these behemoths would probably have sounded more like cannon fire than the crack of a bullwhip.

Dr. Myhrvold and Dr. Currie described the research in interviews and in a report in the journal Paleobiology. They conducted a variety of computer simulations, testing different assumptions about the biomechanical capabilities of these giant dinosaurs. They compared tails with whips in their computer analysis to see how similarly they behaved. "In all cases, it was easy to find simulations that produced supersonic motion," the scientists wrote.

WITH one side-to-side flick, the researchers determined, a wave of energy could accelerate through the length of one of the tapering, segmented tails, gaining momentum to propel the tip of the tail to velocities of more than 750 miles an hour, faster than the speed of sound.

"We must confess that it is pleasing to think that the first residents of Earth to exceed the sound barrier were not humans, but rather the diplodocid sauropods," Dr. Myhrvold and Dr. Currie concluded.

Other dinosaur experts are sharply divided over the research.

Gregory S. Paul, an independent specialist in dinosaur anatomy who is based in Baltimore, said he thought the concept of sauropods with supersonic tails was physically plausible. But at a recent paleontology conference, he said, he heard "other people who just hate the idea."

One critic is Dr. Kenneth Carpenter, a paleontologist at the Denver Museum of Natural History. "To be blunt," he said in an interview, "the computer simulations are another case of garbage in, garbage out."

Dr. Carpenter questioned whether the bony segments of the dinosaur tails could have produced a supersonice boom. Even if that was possible, he said, using the tail like a whip might have been both painful and damaging to dinosaurs. The last few segments might even snap off.

In their report, Dr. Myhrvold and Dr. Currie emphasized that only the last two or three inches of the dinosaur tail would have exceeded the speed of sound. The possibility of pain or damage might be minimized or eliminated, they pointed out, if the most extreme part of the tail extended past the last vertebra as a piece of skin, tendon, or keratin, the protein that can take the form of scales, claws, or feathers. "If whips made from the skins of cows and kangaroos are able to withstand supersonic motion," they said, "why not dinosaur skin and tendons?"

But the two researchers agreed with the paleontologists who now reject the idea that the sauropods regularly used their tails defensively. The animals would probably have sustained as much injury to their tails as they inflicted on attackers.

As chief technology officer at Microsoft, Dr. Myhrvold presumably has more pressing research matters than dinosaur tails. But dinosaurs have fascinated him since childhood, and he has probably never met a research problem he did not try to use a computer to solve. He got in the habit of stretching the imagination when he studied cosmology under Dr. Stephen Hawking at Cambridge University in England. "I don't claim it's relevant to Microsoft," he said of the dinosaur simulations. "It's just an interesting problem to me."

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Rare Bird Flu Infects a 2d Person in Hong Kong

By David Brown
Washington Post Service

WASHINGTON — Scientists have identified a second person in Hong Kong who recently became ill with a rare strain of influenza virus previously thought to infect only birds, the World Health Organization reported.

The recent case was a 2-year-old boy who became ill on Nov. 8 and was briefly hospitalized. The earlier one occurred in May in a 3-year-old boy, who developed a severe complication called Reye's syndrome and died.

There is no obvious connection between the cases, which were caused by an influenza A virus subtype called H5N1. The recent infection appears to be a second, independent leap of this pathogen from birds to human beings.

While the virus does not appear to pose an immediate public health threat, the leap is a highly unusual and worrisome event. "To me, the startling thing about the second case is that there is a second case," said Robert G. Webster, a virologist and influenza specialist at St. Jude Children's Research Hospital, in Memphis. "We have to realize that this virus is telling us that it's trying to seed itself into the human population. If it keeps doing this, it will be bad news, to say the least."

The H5N1 subtype caused an outbreak of chicken influenza in Hong Kong last spring, killing nearly 7,000 birds. The new case seems to demonstrate the strain has some propensity to infect people as well. However, there's no evidence it has the properties that allow it to be spread from person to person — an essential trait for all epidemic strains of human flu virus.

INFLUENZA viruses are constantly circulating in human populations, replicating, mutating and changing their biological behavior slightly year to year. Three or four times a century, however, a new flu subtype appears to which nobody is immune because nobody has been exposed to anything remotely like it. Such a subtype rapidly infects a large portion of the world's population, often (although not necessarily) causing higher-than-usual mortality.

These events are called "antigenic shifts." The last one occurred in 1968. Biologists expect another one soon.

The deadliest epidemic of the century occurred in 1918 and 1919, when a (presumably) new subtype of influenza killed about 30 million people worldwide. An antigenic shift produced the "Asian flu" in 1957, which killed 70,000 Americans. Another shift, the "Hong Kong flu" of 1968, caused fewer deaths.

Chinese government virologists identified the strain as subtype H5N1 several weeks ago, and scientists at the U.S. Centers for Disease Control and Prevention in Atlanta confirmed the identification.

Nancy J. Cox, chief of the influenza branch at CDC, said the viruses from the two children are different enough that they appear to have come from different sources. The recent victim is a Vietnamese child, whose younger sibling and parents have not become ill. The child had no contact with the boy who was the first H5N1 case, and lives in a different part of the city.

BOOKS

FIFTY YEARS OF EUROPE: An Album

By Jan Morris. 366 pages. $24. Villard Books.

Reviewed by Alan Riding

JUST as Europe began commemorating the 50th anniversaries of critical moments of World War II, the Soviet bloc collapsed, warfare erupted in the Balkans and "ethnic cleansing" stirred the ghosts of the Holocaust. Once again, European history was refusing to lie dormant. Indeed, even now, the European Union's promise of a different future keeps being challenged by old-fashioned nationalism. The past has spawned eight new European countries since 1990. Demands for greater autonomy can be heard from Scotland to Catalonia.

Jan Morris knows this and a great deal more. For half a century, she has been traveling the length and breadth of this complex and conflictive continent. Yet, as this 71-year-old writer gathers her reminiscences, she is reassuringly optimistic. Her new book, "Fifty Years of Europe: An Album," covers 1946 to 1996, from the mixed hope, uncertainty and dismay of the immediate postwar era to the eve of creating a single European currency. More personally, it also traces the metamorphosis of her identity from British to Euro-Welsh.

It is an unusual book, almost easier to define by what it is not: It is not a travel or a history or a geography book, although it has elements of all three; it also lacks a narrative flow since it ignores chronology and comprises hundreds of loosely connected anecdotes, portraits, recollections, history lessons and quotations. Morris's own definition — "an album" — is probably best: It is as if she had found a series of verbal snapshots in an old suitcase and decided to present them with little heed to time or place.

Still, she offers a logic of her own, organizing the snapshots into five chapters: "Holy Symptoms" on Europe's religious roots and expressions; "The Mishmash" on its ethnic and geographical confusion; "Nations, States and Bloody Powers" provides brief country-by-country sketches; "The Internet" on Europe's means of communication; and "Spasms of Unity" on attempts to unite Europe from Charlemagne to today. She begins and ends in Trieste, "at the cusp of Europe, where the races meet, where I can look one way toward Rome and Paris and London, the other toward Belgrade and Bucharest and Athens."

It was there that a young British Army officer called James Morris (who underwent a sex change in 1972) began a European experience, a discovery of a different world that would lead her to uncountable voyages around Europe, first as a soldier, then as a journalist and finally, since 1956, as an essayist, historian and acclaimed travel writer (she has also written one novel, "Last Letters From Hav"). By now, she has visited every European country — even the new ones — and has gathered volumes of weighty and trivial information that she is eager to convey.

How she does so, however, proved troublesome to me. I could overlook her attempts to engage the reader with, "Loiter with me now for a moment or two" or "Allow me to invite you to Sunday lunch." I even felt a certain relief when she suggested: "Let us now give ourselves a break in our fitful march across Europe." But I found the constant hopping among country, period and subject to be dizzying. At times I felt as if I were trapped by a dinner partner who was determined to recount a lifetime of travel stories — in no particular order — before coffee was served.

To be fair, there are plenty of nuggets that I hope to remember. "As Gustav Mahler observed to the conductor Bruno Walter when they traveled through the Alps together, 'No need to look — I've already composed them.'" Or: "Even Guinness, after all, that glorious black-and-cream icon of the Irish legend, was created by a family of impeccably monarchist and Anglican credential, rich in peerages." But all too often, the information comes perilously close to guidebook fare.

IT might all have worked better if Morris had dropped half the information and replaced it with more of herself.

Indeed, eager for more Morris and less Europe, I came to celebrate moments when her own hostility to people, she has it in for Denmark, "a *foolish* place," not least, it seems, because of "the central position that the Tivoli Pleasure Gardens in Copenhagen appeared to occupy in the national psyche." She targets "the snobbery and pretensions" of Austria. "It is the sycophancy of older Austrians that I most dislike," she pronounces. Poor Napoleon — no more than "a sort of sexy Hitler" for her. She also offers a delightful generalization about food: "The Italians eat most sensibly. The British eat most unhealthily. The Spaniards eat most abstemiously. The Scandinavians eat most fastidiously. The Greeks eat most monotonously. The Belgians eat most indigestibly. The French eat most pretensiously. The Germans eat most."

Perhaps the answer is to dip into this book at random, to nibble a while and return for more later. But it does offer a conclusion. Sitting on the quay at Trieste where her story began, Morris muses that there is "something wistful" to the spectacle of old Europe groping its way toward comity. "The nostalgia that I felt here 50 years ago was, I realize now, nostalgia not for a lost Europe, but for a Europe that never was, and has yet to be," she writes. "But we can still hope and try, and be grateful that we are where we are, in this ever marvelous and fateful corner of the world."

New York Times Service

BRIDGE

By Alan Truscott

THE American Contract Bridge League's Fall Nationals was won by Adam Wildavsky and Allan Falk, who led into the final session and held on to win by seven match points. In hot pursuit were two European stars, Tony Forrester and Geir Helgemo, who have built a weird streak: In the past three years they have been second in five major events without scoring a win.

The final standings were: first, Wildavsky and Falk, 789.13 match points; second, Forrester and Helgemo, 781.41; third, Chip Martel and Robert Levin, 763.28; fourth, Douglas Doub and John Rengstorff, 751.23; fifth, Gene Freed and Mike Passell, 743.58.

Wildavsky and Falk use the Kaplan-Sheinwold System, devised by two of the great figures in the game, both of whom died earlier this year. The single raise of a major-suit response shows a better-than-minimum hand, so Wildavsky as South was encouraged when his partner raised hearts. The partnership continued to a borderline slam, making use of a rare conventional device: Four diamonds was "Last Train." A bid just below game in the agreed trump suit shows that a player still has some slam interest.

The slam would have been defeated if West had led a spade, for East would have been able to win the ace and return the suit, forcing dummy to ruff.

However, West led his singleton diamond and South won with dummy's ace and led to the heart ace. The appearance of the queen was gratifying, and he cashed his top clubs to discard dummy's spade king. Dummy was entered with a trump lead to the eight, and a diamond was ruffed high. Another trump lead to dummy removed the missing trump, and East's diamond king was ruffed out. Dummy scored the last five tricks, and the eventual winners collected 24.5 match points out of a possible 25 for making slam with an overtrick.

The tournament concluded with the prestigious Reisinger Board-a-Match Teams.

NORTH(D)
♠ K
♡ K 9 8 4
♢ A Q J 8 4 3 2
♣ 10

WEST
♠ Q 10 7 6 2
♡ 7 5 2
♢ 7
♣ 9 5 4 2

EAST
♠ A 9 5 4
♡ Q
♢ K 10 6 5
♣ Q 8 7 6

SOUTH(D)
♠ J 8 3
♡ A J 10 6 3
♢ 9
♣ A K J 3

Both sides were vulnerable. The bidding:

North	East	South	West
1 ♢	Pass	1 ♡	Pass
2 ♡	Pass	3 ♣	Pass
3 ♠	Pass	4 ♣	Pass
4 ♢	Pass	6 ♡	Pass
Pass	Pass		

West led the diamond seven.

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Asia Chastised as Its Rescuers Dig Deep to Fund Bailout

Greenspan Urges Quick Banking Reform

By John M. Berry
Washington Post Service

WASHINGTON — Alan Greenspan has urged developing nations to move as quickly as possible to reform their banking systems, calling them "the weaker links in our international financial system."

In a speech Tuesday to the Economic Club of New York, the chairman of the U.S. Federal Reserve Board laid much of the blame for the current financial turmoil in several Asian nations on the way in which their governments had failed to adequately regulate and supervise their banking systems while directing banks to provide loans to favored borrowers.

"What is wrong with policy — that is, politically driven — loans?" Mr. Greenspan asked. "Potentially nothing, if they were made to firms to finance expansions that just happened to coincide with a rise in consumer or business or overseas demand for their newly produced products.

"Unfortunately, this is often not the case. Policy loans, in too many instances, foster misuse of resources, unprofitable expansions, losses and eventually loan defaults."

Huge losses on those and other types of loans, particularly those used to finance new real-estate ventures, have crippled the banking systems in South Korea, Thailand and Indonesia. Putting surviving banks back on their feet will take tens of billions of dollars of government money in each case.

"We should strongly stress to the newer members of the international financial system — the emerging economies — that they should accelerate the restructuring of their financial systems in their own interests," Mr. Greenspan said. "But, having delayed timely restructuring, many now find themselves with major shortfalls in bank liquidity and equity capital that put their systems at severe risk of collapse before any full restructuring is feasible."

That is why it is necessary, Mr. Greenspan said, for the International Monetary Fund, the World Bank and some developed countries, including the United States, to make temporary loans to those governments.

"Since any severe breakdown can have contagion effects on a worldwide basis, it is in our interest to do so," the Fed chief said.

But those loans should be "contingent on the country using the time to reform financial systems as well as adopt sound ecónomic policies," he said, adding that "assistance without further reform of financial systems and economic policies would be worse than useless, since it would foster expectations of being perpetually bailed out."

IMF-led loan programs were extended to Thailand and Indonesia, with the United States providing some back-up assistance in the latter case, after each nation agreed to make significant changes in its economic policies and its banking practices. A similar but larger agreement was concluded between the IMF and South Korea on Wednesday.

Mr. Greenspan said that it was likely to take years for the troubled economies to restructure their financial systems.

"Loan officers with experience judging credit and market risks are in very short supply in emerging economies," he said. "Training will require time."

In many instances, he said, the countries' legal framework made it very difficult for lenders to seize the collateral backing a loan.

The overriding difficulty, he said, is a lack of political will to make the necessary changes in a timely way.

"There is a significant bias in political systems of all varieties," he said, "to substitute hope — read, wishful thinking — for possibly difficult preemptive policy moves, both with respect to financial systems and economic policy."

Agence France-Presse
Supervise banks, Greenspan advised.

Aid to Seoul Leaves IMF at Its Most Stretched

By Brian Knowlton
International Herald Tribune

WASHINGTON — The rescue of South Korea, coming hard on the heels of the bailouts of Indonesia and Thailand, will place nearly unprecedented pressures on the International Monetary Fund, leaving it with less liquidity than at any time since 1982.

U.S. and Fund officials say the lending organization can meet the need, but some economists say its resources will be seriously stretched.

One congressional study, revised last week, said a Fund bailout for South Korea probably would limit the IMF's future ability to deal with the financial crisis in Asia.

How great the strain ultimately will be on Fund resources is not clear and will not be until the effect of the new package in restoring confidence in South Korea and calming the region's financial markets is known.

But economists say the institution will face a severe test if, once the smoke around Seoul stops swirling, it appears that the Asian financial "contagion" has not been halted.

Under the package announced Wednesday, the IMF will provide Seoul with a three-year standby credit of as much as to $21 billion. The World Bank, its sister institution, will provide $10 billion; the Asian Development Bank, $4 billion; and countries led by Japan, the United States and Germany, as much as $20 billion.

The World Bank participation is exceptional. Normally, it provides assistance only to poor countries, and South Korea has undergone three decades of rapid growth. A World Bank spokesman in Washington, asked about this, would not comment. The World Bank and the IMF both declined to comment on the structuring or terms of the loan.

A recent congressional study said a bailout for Seoul could limit the IMF's ability to deal with the crisis in Asia.

The IMF contribution will leave the institution's liquid resources at their lowest point in 15 years, said Representative James Saxton, Republican of New Jersey, citing a study by the Congressional Research Service. Mr. Saxton is chairman of the Joint Economic Committee of Congress.

Since the summer, the IMF has taken the lead in arranging rescue packages of $23 billion for Indonesia and $17 billion for Thailand. Of the totals, the Fund provided credits of $10 billion for Indonesia and $3.9 billion for Thailand.

The $21 billion credit to South Korea will leave the IMF with about $30 billion in liquid resources, which one institution official called "not a huge amount."

"We could probably go lower," said one government economist who asked not to be identified. "A lot depends on how efficient the Korea bailout is. Potentially it could take pressure off not just the Koreans but some other countries, and maybe this is where it stops. But maybe this is not where it stops."

C. Fred Bergsten, director of the Institute for International Economics, said that the Fund had "plenty of money" but that its credits to any individual country were limited by its rules.

Those rules are being stretched in the case of Seoul because of the potential impact of its crisis on the regional and world economy.

Normally, a member country can turn to the IMF to borrow 100 percent of its yearly "quota" — the amount it usually provides the Fund — or 300 percent over three years. In the cases of Thailand and Indonesia, the rule was stretched to grant 400 percent to 500 percent of their quotas. Mexico in 1994 was granted 700 percent.

Seoul's quota is $1.1 billion, so the credit will be nearly 2,000 percent of that figure. A Fund spokesman said South Korea's quota "woefully understates" its relatively recent rise in rank to the 11th-largest economy in the world and was being revised sharply upward.

U.S. officials have sought to be cautiously reassuring about the IMF's resources and their own determination to maintain financial stability in Asia.

"The IMF has quite significant resources now that can deal with current situations," Stanley Roth, assistant U.S. secretary of state for East Asian affairs, said late last month.

Washington pledged as much as $5 billion for the Seoul bailout, money that can be drawn from the Treasury's exchange stabilization fund without congressional approval. That is just one-fourth the unprecedented $20 billion support package the United States provided Mexico after the peso crisis of 1994.

After the Mexico crisis, IMF members agreed to establish the so-called New Arrangements to Borrow, a set of medium-term credit lines that could be drawn on to help financially troubled countries. It was to match the existing $24 billion General Arrangements to Borrow.

But U.S. politics have already intervened. A $3.5 billion appropriation for the U.S. commitment to the new credit lines was voted down last month by the House of Representatives as other issues became entangled in the debate.

Four big European donors — Germany, France, Britain and Italy — have said they will provide their own share of resources to the new program and not wait for the United States to do so.

Senate hearings on the issue are expected early next year. The IMF expects congressional approval, said Graham Newman, a spokesman. But if the contribution were again rejected, he said, "potentially it could be serious."

But IMF rules allow it to borrow from other sources. And in an extreme case, it might even sell gold, though gold prices have dropped lately.

How the resources provided by the IMF can be used varies from case to case.

The institution, without releasing details, said Wednesday that the program agreed on with Seoul included strengthened fiscal and monetary policies, financial sector reforms, further liberalization of trade and capital flows and restructuring of Korean corporations.

Generally, said Bob McKee, chief economist of Independent Strategy, a London-based consultancy, IMF funds "go straight into the central bank's foreign-exchange reserves as they draw it down, so those reserves do not continue to decline."

He added, "That's the confidence factor from the beginning."

The International Monetary Fund sets benchmarks, which typically include the level of foreign-exchange reserves, the way credit is being created in the private sector, and trends in the country's money supply. Its funds are provided in "tranches," subject to those benchmarks being met.

A $700 million tranche of a $10 billion loan to Russia was suspended this year when Moscow failed to meet an agreed-upon goal.

IMF funds can be drawn on to support a country's balance of payments, pay international bills and provide foreign exchange for importers, all aimed at reassuring foreign lenders and investors that they will be paid.

The money is not supposed to be used to bail out banks or investors, however.

INTERNATIONAL MANAGER

A Corporate Raider Shakes Up France's Business Practices

By John Tagliabue
New York Times Service

PARIS — In the corporate world of France, with its cozy intertwined shareholdings and classically educated business elite, it took an outsider such as Francois Pinault, a school dropout at age 16, to shake things up. The local version of a corporate raider, Mr. Pinault has made his way as a capitalist without capital, a businessman who aggrandized himself with other people's money, borrowing and buying low and selling high to pay back his debts and still have plenty left over.

His knack for finding loopholes in French corporate law has prompted the government to change the rules for shareholding and takeovers, and his fancy financial footwork has fostered a movement to protect minority-shareholder rights. The corporate establishment has blocked his way several times, but Mr. Pinault's combination of sharp business elbows and deft political influence has made him come out the winner more often than not.

"When you build an empire, you step on toes, so everyone doesn't love you," said Anne Meaux, a close friend whose public-relations firm represents Mr. Pinault and many more traditional captains of French business and industry.

Mr. Pinault, 62, has built an empire on both sides of the Atlantic. Consumers who buy Samsonite luggage or wear Converse sneakers or ski at Vail, Colorado, or shop at the Printemps department stores here are all doing business with a holding company called Artemis SA, which Mr. Pinault controls.

Now, Mr. Pinault is trying to enter the lucrative business of financial services, though his bids in recent months for large French insurance and financial-products companies have not yet been successful. In September, for instance, Artemis made a $4.8 billion hostile bid for a venerable conglomerate, Worms & Cie., and the jewel in its crown, the Athena insurance group.

Though Mr. Pinault pulled back rather than engage in a bidding war, he is not one to give up looking for another prize. A successful bid would fulfill a "wish we have to be in financial services and products," said Patricia Barbizet, managing director of Artemis, "where we feel a lot of restructuring is coming in France and in Europe."

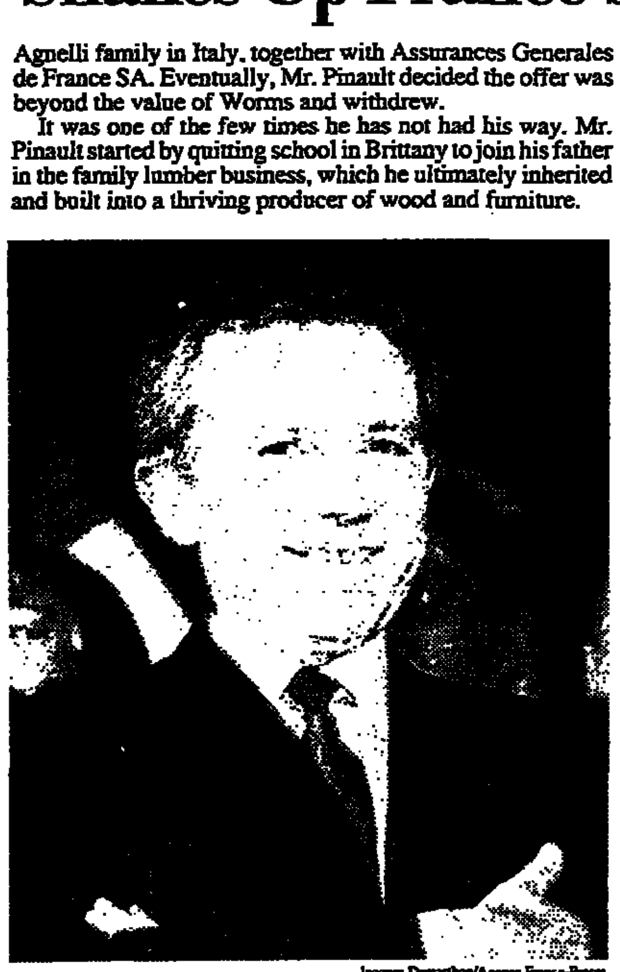
With the European single currency just around the corner, major banks and insurance companies are already engaged in mergers and acquisitions designed to strengthen their positions for the rapid growth expected as the Continent's financial markets merge effectively into one.

For example, Allianz AG Holding of Germany, Europe's second-largest insurer after AXA-UAP SA, is in a fierce bidding war with Assicurazioni Generali SpA of Italy to swallow up Assurances Generales de France SA.

But there is no guarantee that Mr. Pinault will get what he wants. His previous efforts to snare a major finance company, Banque Indosuez SA, and Navigation Mixte, a unit of Compagnie Financiere de Paribas, failed because of resistance by entrenched shareholders.

His bid for Worms was quickly topped by one from the Agnelli family in Italy, together with Assurances Generales de France SA. Eventually, Mr. Pinault decided the offer was beyond the value of Worms and withdrew.

It was one of the few times he has not had his way. Mr. Pinault started by quitting school in Brittany to join his father in the family lumber business, which he ultimately inherited and built into a thriving producer of wood and furniture.



Jacques Demarthon/Agence France-Presse
French executive Francois Pinault in a 1993 photo.

In the 1970s, the government sought to save jobs by devising laws that offered entrepreneurs such as Mr. Pinault opportunities to acquire failing privately owned companies at symbolic prices, often as little as 1 franc (20 cents). Mr. Pinault gradually amassed a fortune by buying up companies this way, then using government aid to turn them around and sell them at a profit.

By the late 1980s, he had graduated to bigger deals using someone else's francs. In 1987, for example, he plunked down $120 million in mostly borrowed money to acquire La Chapelle-d'Arblay, a foundering paper manufacturer based in Normandy, then reaped a profit of $90 million three years later when he sold it. Mr. Pinault is skilled at chopping companies down to their core businesses, lopping off jobs and raising productivity by automating.

Along the way, he has forged some lasting friendships and business relationships. In the 1970s, he promoted his business around the southern city of Ussel, where a young politician named Jacques Chirac was building a career. Mr. Pinault has remained fast friends with Mr. Chirac, who is now president of France. At the same time, he formed close ties with Credit Lyonnais SA, France's largest commercial bank, whose local branch in Brittany served from the start as Mr. Pinault's house bank.

Mr. Pinault has kept his roots in Brittany, where he and his wife, Maryvonne — he has three children and she has one, all by their first spouses — keep a sumptuous country home whose grounds are dotted with contemporary sculptures. They also have an apartment in Paris.

Mr. Pinault, who is uncomfortable with the press, declined to be interviewed for this article.

Mr. Pinault has long been involved in distribution, to sell either his companies' wood products or furnishings made of wood. His jump into the big league came in 1992, when he acquired Au Printemps in a complex transaction that exemplified his aggressive brand of deal-making.

After selling the hardware chain Conforama for $775 million to Printemps, Mr. Pinault used the proceeds to acquire 66 percent of Printemps. Two years later, he rounded out the group by taking control of France's largest mail-order house, La Redoute, and FNAC, a chain of book and record stores.

Alain Minc, one of an impressive list of advisers Mr. Pinault has brought in over the years to help him with his expansion, described the strategy as "a classical one: to go progressively from production to distribution."

As France moved out of its recession of the early 1990s, and as the battered real-estate market recovered, Mr. Pinault's acquisitions proved a gold mine. By selling off unwanted units, he got the cash to pay back the debt that had financed the buying spree.

The latest to go was Prisunic, a down-market retailer that was sold this year. Last year, profit at Pinault-Printemps-Redoute SA rose 36 percent, to $355 million, as sales increased 3.6 percent, to $13.8 billion.

But along the way, Mr. Pinault's ways had made him the bête noire of French finance. In 1994, the Association for the

See RAIDER, Page 19

Pinault Avoided Tax on Wealth

Agence France-Presse

PARIS — One of France's richest men, Francois Pinault, admitted Wednesday that he had avoided paying the country's special wealth tax in 1997.

Mr. Pinault, who owns a retailing and mail-order empire, confirmed a report in the investigative weekly Le Canard Enchaine on Wednesday that he had taken out a loan of 140 million francs ($23.6 million) to buy shares in his company, Pinault-Printemps-Redoute SA, so he would be exempted from the levy, known as the solidarity tax on wealth. The tax is levied on net assets, not on loans.

Mr. Pinault's personal wealth has been estimated by French business magazines at 12.2 billion francs to 12.5 billion francs.

CURRENCY & INTEREST RATES

Cross Rates

Dec. 3

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	2.0075	3.364	1.1269	0.3367	0.115*	—	5.4625*	1.3967	1.549*	1.406	1.334*
Brussels	36.42	61.18	20.43	6.165	2.1075*	18.300	—	25.4275	0.286	25.80	24.445*
Frankfurt	1.7726	2.9792	—	0.2988	0.1021*	0.8875	4.8474*	1.2382	1.3982*	1.248	1.1807*
London (a)	1.6839	—	2.9777	9.9666	2,918.62	3.3556	61.4207	2.4040	216.405	2.3875	251.40
Madrid	149.65	251.406	84.49	25.243	8.623*	74.977	4.0956	53.859	116.278*	52.859	—
Milan	1,756.10	2,946.40	980.20	292.83	—	889.00	47.454	1,213.30	13.49	1,222.30	11.597
New York (b)	—	[illegible]	1.7715	5.9975	1,738.00	1.9975	36.57	1.431	128.725	1.4199	149.72
Paris	5.9277	9.9675	3.3471	—	0.3416*	2.9780	0.1622	4.1467	4.6002*	4.1821	3.9615*
Tokyo	128.65	216.37	72.41	21.63	0.74	64.24	3.5102	89.79	—	90.76	0.8571
Toronto	1.4202	2.3871	0.8035	0.2381	0.0817*	0.7107	0.3882*	0.9919	1.1035*	—	0.947*
Zurich	1.4367	2.4025	0.8066	0.2409	0.0822*	0.7156	3.9077*	—	1.1098*	1.0066	0.9543*
1 ECU	1.1172	1.8644	1.9785	6.222	1,928.57	2.2296	40.8161	1.597	143.77	1.5806	167.143
1 SDR	1.3438	2.2152	2.396	8.0027	2,330.07	2.699	49.4388	1.9253	171.887	1.9482	202.173

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9999	Greek drac.	277.96	Mex. peso	8.1240	S. Afr. rand	4.8655
Australian $	1.4832	Hong Kong $	7.738	N. Zealand $	1.6554	S. Kor. won	1196.00
Austrian sch.	12.471	Hung. forint	200.11	Norw. krone	7.1665	Swed. krona	7.7520
Brazil real	1.1091	Indian rupee	39.03	Phil. peso	35.15	Taiwan $	32.22
Chinese yuan	8.3099	Indo. rupiah	3815.00	Polish zloty	3.55	Thai baht	41.35
Czech koruna	33.31	Irish £	0.6797	Port. escudo	180.76	Turkish lira	195440.
Danish krone	6.7462	Israeli shek.	3.5306	Russ ruble	5855.70	UAE dirham	3.671
Egypt. pound	3.4045	Kuw. dinar	0.304	Saudi riyal	3.75	Venez. boliv.	501.25
Fin. markka	5.3513	Malay. ring.	3.645	Sing. $	1.6117		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6775	1.6752	1.6728	Japanese yen	128.14	127.44	126.89
Canadian dollar	1.4166	1.4147	1.4130	Swiss franc	1.4303	1.4298	1.4293
Deutsche mark	1.7680	1.7657	1.7629				

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Dec. 3

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 7/8 - 6	3 11/16 - 3 3/4	1 7/16 - 1 9/16	7 5/8 - 7 3/4	4 [illegible] - 4 [illegible]	1 1/16 - 1 3/16	4 3/8 - 4 1/2
3-month	5 13/16 - 5 15/16	3 11/16 - 3 3/4	1 7/16 - 1 9/16	7 5/8 - 7 3/4	3 5/8 - 3 11/16	15/16 - 1 1/16	4 3/8 - 4 1/2
6-month	5 13/16 - 5 15/16	3 3/4 - 3 7/8	1 3/8 - 1 1/2	7 13/16 - 7 15/16	3 3/4 - 3 13/16	15/16 - 1 1/16	4 7/16 - 4 1/2
1-year	5 15/16 - 6 1/16	4 - 4 1/16	1 7/8 - 2	7 15/16 - 7 15/16	3 15/16 - 4 1/16	3/4 - 1	4 9/16 - 4 3/4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 1/2	5 1/2
90-day CDs dealers	5.82	5.81
180-day CP dealers	5.62	5.60
3-month Treasury bill	5.11	5.11
1-year Treasury bill	5.24	5.26
2-year Treasury bill	5.73	5.76
5-year Treasury note	5.80	5.82
7-year Treasury note	5.81	5.83
10-year Treasury note	5.83	5.85
30-year Treasury bond	6.02	6.03
Merrill Lynch 30-day RA	5.10	5.10
Japan		
Discount rate	0.50	0.50
Call money	0.40	0.41
1-month interbank	0.90	0.70
3-month interbank	0.90	0.70
6-month interbank	0.90	0.70
10-year Gov't bond	1.88	1.95
Germany		
Lombard rate	4.50	4.50
Call money	3.46	3.46
1-month interbank	3.73	3.73
3-month interbank	3.75	3.75
6-month interbank	3.86	3.86
10-year Bund	5.43	5.41

Britain		
Bank base rate	7 1/4	7 1/4
Call money	7.00	7 1/16
1-month interbank	7 9/16	7 1/2
3-month interbank	7 11/16	7 11/16
6-month interbank	7 3/4	7 3/4
10-year Gilt	6.50	6.49
France		
Intervention rate	3.30	3.30
Call money	3 1/4	3 1/4
1-month interbank	3 1/4	3 7/16
3-month interbank	3 1/2	3 9/16
6-month interbank	3 3/4	3 3/4
10-year OAT	5.42	5.41

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	292.75	—1.75
London	291.10	293.00	—2.10
New York	295.90	294.50	—1.40

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

News of Argentina Sale Sends Gold Plummeting

Bloomberg News

NEW YORK — Gold prices fell Wednesday to their lowest level since 1985 after Argentina said it had sold a large part of its reserves of the metal, heightening concern that other countries would also reduce their holdings.

"This confirms the worst fears the market had about central-bank sales," said Tony Warwick-Ching, precious metals analyst at Flemings Global Mining Group in London. The price of gold has fallen about 20 percent this year.

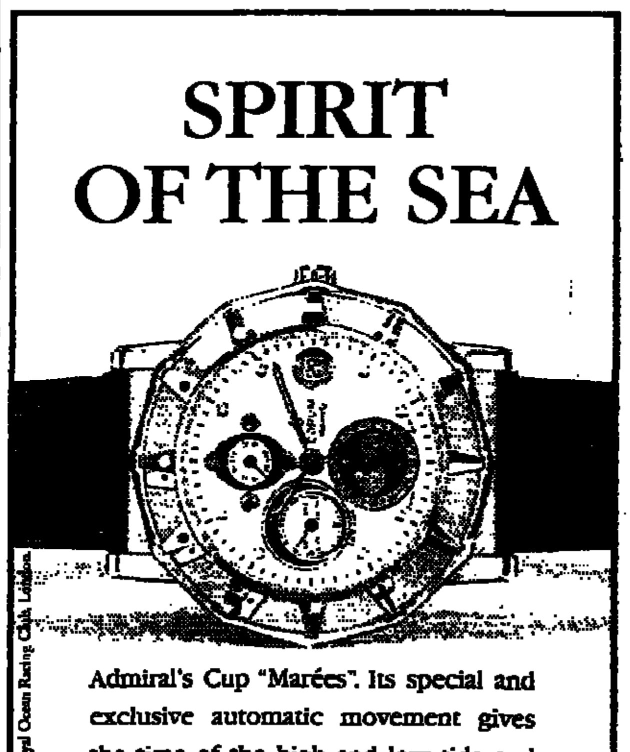
Argentina was the fourth central bank in the past two years to sell a large portion of its gold holdings. The country sold about 124 tons of gold at an average price of $370.22 an ounce from January through July, realizing about $301 million more than it would have at current prices, the bank said. Central banks are the largest holders of gold.

Gold for February delivery fell as much as $3.50, or 1.2 percent, to $292.40 an ounce on the Comex division of the New York Mercantile Exchange, the lowest for an active contract since March 14, 1985. Contracts for December gold, which expire at the end of the month, fell as low as $291.20 an ounce. On Wednesday, gold fell $1.40 an ounce to close at $294.50.

Argentina is "another central bank that no longer wants gold," said Dinsa Mehta, managing director of global commodity risk at Chase Manhattan Bank in New York. "The sale is affecting market sentiment today."

Argentina did not announce the sale earlier because of the international gold market's sensitivity, its central bank said.

SPIRIT OF THE SEA



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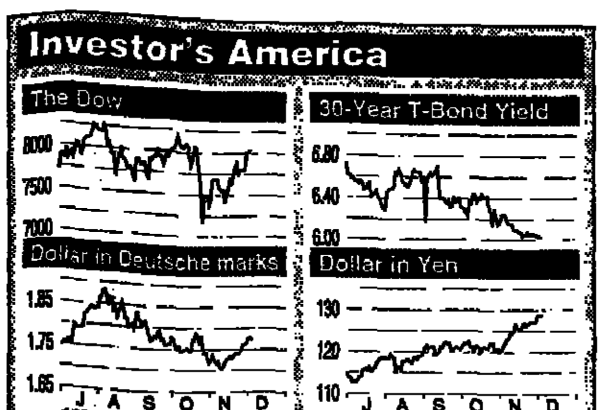


Exchange	Index	Wednesday 4 P.M.	Prev. Close	% Change
NYSE	The Dow	8032.01	8018.83	+0.16
NYSE	S&P 500	977.51	971.68	+0.59
NYSE	S&P 100	468.50	466.15	+0.51
NYSE	NYSE Composite	510.25	507.64	+0.52
U.S.	Nasdaq Composite	1614.50	1606.38	+0.51
AMEX	AMEX Composite	669.00	665.70	+0.50
Toronto	TSE Index	6679.10	6658.60	+0.31
São Paulo	Bovespa	9994.72	9964.30	+0.28
Mexico City	Bolsa	5124.19	5122.84	+0.03
Buenos Aires	Merval	703.49	689.89	+1.99
Santiago	IPSA General	4959.22	4955.19	+0.10
Caracas	Capital General	8453.96	8609.41	-1.81

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

- **Columbia/HCA Healthcare Corp.** is cutting 750 jobs at Florida home health care sites, after patient volume fell amid a government investigation that has yielded fraud indictments against three executives. It also will pay $71 million to settle a tax dispute over executives' stock options.
- **Newbridge Networks Corp.** will dismiss 280 people, mostly at **UB Networks**, a U.S. distribution company that the maker of networking equipment acquired last year.
- **TrizecHahn Corp.**, a real-estate company, bought the Sears Tower in Chicago for $70 million and assumed debt.
- **Cia. Forca & Luz Cataguazes-Leopoldinha** is leading a group paying 577 million reais ($520.2 million) to buy the electricity distributing company **Empresa Energetica de Sergipe** at auction from the Brazilian state of Sergipe.
- **Internationale Nederlanden Groep NV** is buying the Chilean insurer **Cruz Blanca Seguros de Vida SA** for $120 million.

AP, Bloomberg

Pact on Foreign-Investment Curbs

Bloomberg News

SANTIAGO — The Western Hemisphere's finance ministers, facing fallout from tumbling markets in Asia, agreed Wednesday that restrictions on foreign-investment flows could be used to cushion the blow from financial shocks.

Ministers from 34 countries, using carefully crafted language to overcome U.S. objections, agreed in a joint statement that foreign-investment controls were "a useful complement to, but not a substitute" for sound economic policies, strong regulation and other means of protecting markets from turmoil.

"The key is, there may be a debate about capital controls, but there should not be a debate about substituting capital controls for sound policy," said Robert Rubin, the U.S. Treasury secretary, who attended the two-day meeting in Chile.

He said countries could be tempted to implement capital controls instead of facing the "difficulties of sound policies."

H.J. Heinz Chief's Exit Isn't Quite Complete

By Tim Smart
Washington Post Service

Gene Puskar/Reuters

Anthony O'Reilly was under fire.

WASHINGTON — The curtain has come down on one of corporate America's most flamboyant acts with the retirement of Anthony O'Reilly as chief executive of H. J. Heinz Co.

Mr. O'Reilly, 61, who relinquished his CEO duties Tuesday, was as much at home in Heinz's Pittsburgh boardroom as at the Irish Derby clubhouse in Dublin. He had come under fire from institutional shareholders and corporate governance groups who criticized his close control of the Heinz board as well as his large number of stock options and other perquisites.

His personally chosen successor as chief executive is Heinz's president, William Johnson, 48. Mr. O'Reilly is to remain chairman of the food-products company until 2000.

"I think he's making the right choice," said Nell Minow, a principal at Lens Inc., a money-management company based in Washington. "It's great he recognizes it's time for him to go."

But Ms. Minow criticized Mr. O'Reilly's decision to continue as chairman, calling it a "big mistake" that could inhibit Mr. Johnson's independence.

Mr. O'Reilly became the first person outside the Heinz family to rise to chairman of Heinz in 1987 after having served as chief executive since 1979. A former professional rugby player who set scoring records for the Irish national team, Mr. O'Reilly wowed Wall Street in the 1980s as he revved up the tired brand and went on a global shopping spree for international food companies.

But Heinz lagged in the 1990s as its arch rival, Campbell Soup Co., modernized under a new, outsider chief executive and a revamped board.

This year, Mr. O'Reilly launched a major restructuring of Heinz, promising to cut costs by closing 20 percent of the company's 120 factories worldwide. Heinz also said it would spend more to market some of its venerable brands — including Heinz ketchup, Star-Kist tuna and 9-Lives cat food.

Still, contrasts remained with the revamped Campbell, which has become a model of corporate governance while the Heinz board remained packed with friends and business associates of Mr. O'Reilly.

Mr. O'Reilly's pay, which had consistently ranked him among the most heavily compensated U.S. executives, also angered some investors. Heinz's most recent corporate proxy statement said Mr. O'Reilly had received $2.9 million in pay, bonuses and other compensation.

As the company's largest individual shareholder, Mr. O'Reilly owns 6.1 million shares valued at $343 million as well as options on 750,000 shares valued at a further $42 million.

Some analysts questioned how much time Mr. O'Reilly spent on Heinz business, given his many outside interests, which include ownership of the Independent Newspapers group of Ireland and a majority stake in the company that makes Waterford crystal and Wedgwood china.

Mr. O'Reilly also kept busy with international diplomatic events, such as hosting a party for Nelson Mandela in 1993 and participating in various Irish American fund-raising activities.

Heinz shares closed at $55.125 Wednesday, up $2.50.

Asian Turmoil Takes A Toll in U.S., Fed Says

Compiled by Our Staff From Dispatches

NEW YORK — U.S. manufacturers and farmers are starting to feel the consequences of financial problems racking Asia, the Federal Reserve said Wednesday.

"Asian financial turmoil and currency weakness have adversely affected demand for manufactured and agricultural exports," the Fed said in its so-called beige book report, a survey of economic conditions by its 12 district banks.

"Some districts report increased competition from imports," it said.

U.S. factories, meanwhile, continue to operate at a high level and wage pressures persisted as low unemployment led to shortages of qualified workers in many industries, the Fed said.

The Fed's regional outlook, published eight times a year, is based on reports from the Fed's 12 district banks.

Analysts said the report was likely to stall any increase in interest rates, which sent Treasury bond prices higher. The price of the benchmark 30-year issue closed up 7/32 point, taking the yield down to 6.02 percent from 6.03 percent Tuesday. The yield touched 6 percent in intraday trading.

"People want to try to break the 6 percent level, based on the continuation of this 'Asian flu' and low inflation in the U.S.," said Mike Mullaney, an asset manager at Boston Partners Asset Management.

The lower bond rates underpinned the stock market, but the report's alarm bells on the potential Asian impact on corporate profits kept share prices in check.

The Dow Jones industrial average finished 13.18 points higher at 8,032.01, and gaining issues outnumbered losing ones by a 4-to-3 margin on the New York Stock Exchange.

U.S. STOCKS

The Asian turmoil has been particularly hard on technology companies, who are looking to Asian demand for sales growth. 3Com was the most actively traded U.S. stock, falling ¼ to 35 1/16, after blaming slowing sales in Asia for disappointing profits.

Adaptec fell 4¼ to 41 3/16 after an analyst at SoundView Financial cut his profit forecast for the computer networking company.

Among the gainers, Merck rose 2½ to 97⅝ after the drugmaker said it was developing an anti-depressant that would compete with such blockbuster drugs as Prozac.

AT&T rose 1½ to 57 13/16 on published reports that the company's new chief executive would sell assets and discontinue operations to prepare the company for competition in the long-distance market. *(AP, Bloomberg)*

German Comments Sink Dollar Against Mark

Bloomberg News

NEW YORK — The dollar fell against the Deutsche mark Wednesday after a Bundesbank council member suggested that the German central bank may sell dollars to lift the German currency.

The council member, Ernst Welteke, said the Bundesbank would do what was necessary to ensure the mark's stability.

With the German currency down nearly 4 percent against the dollar since early November, some traders took the comment as a sign the bank might act to keep the mark from weakening further.

FOREIGN EXCHANGE

"Welteke's hint warned traders to watch out for intervention from the top," said John Hanly, manager of foreign exchange at Bank Austria. "The weakening of the mark has the potential to cause inflation at a time when they don't want inflation."

The dollar fell to 1.7715 DM in 4 P.M. trading from 1.7775 DM Tuesday. But the U.S. currency was little changed against the yen as concern that Japanese authorities may sell dollars to stem its rise outweighed expectation that the worst may not be over for Japan's faltering economy. The dollar edged up to 128.725 yen from 128.645 yen.

Finance Minister Hiroshi Mitsuzuka of Japan said excessive yen weakness was not desirable.

Against other currencies, the dollar slipped to 5.9327 French francs from 5.9478 francs and to 1.4310 Swiss francs from 1.4340 francs. The pound rose to $1.6840 from $1.6815.

Treasury Secretary Robert Rubin also recently said he shared Japan's concern over the yen's weakness, reinforcing traders' unwillingness to push the dollar higher.

"The comments from Japanese officials and Rubin, indicating their preference for no further weakening in the yen, are likely to continue to have a short-term dampening influence on the dollar," said Robin Marshall, chief economist at Chase Investment Bank in London.

INTERNATIONAL FUTURES

Dec. 3, 1997

Grains

CORN (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Dec 97	272¼	270½	271¼	-½	36,077
Mar 98	282¾	280½	280¾	unch.	180,028
May 98	288½	286¾	287¼	unch.	42,177
Jul 98	292¼	290½	291¼	+¼	52,864
Sep 98	287¼	286½	287	unch.	5,223
Dec 98	287½	286	287½	+¼	31,327
Jul 99			299	-½	269

Est. sales 55,000 Tue's sales 59,477
Tue's open int 349,365, off 3,565

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Latest	Chge	Opint
Dec 97	231.50	228.50	230.90	+0.30	13,241
Jan 98	223.40	220.00	222.40	-0.10	31,071
Mar 98	218.40	215.00	216.80	-0.50	34,847
May 98	215.80	212.30	214.20	-0.30	20,515
Jul 98	215.70	212.70	214.40	+0.10	14,538
Aug 98	215.50	213.00	214.50	+1.00	3,285

Est. sales 19,000 Tue's sales 32,910
Tue's open int 124,097, off 2,439

SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb

	High	Low	Latest	Chge	Opint
Dec 97	25.17	24.91	24.97	-0.20	5,124
Jan 98	25.40	25.18	25.30	-0.13	47,422
Mar 98	25.70	25.51	25.63	-0.10	33,694
May 98	25.80	25.62	25.80	-0.08	13,055
Jul 98	25.82	25.72	25.90	-0.02	11,390
Aug 98	25.75	25.65	25.79	-0.04	2,067

Est. sales 21,000 Tue's sales 28,365
Tue's open int 114,729, off 2,278

SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Jan 98	707	699	706½	+2½	67,143
Mar 98	711½	703½	710¼	+2	27,969
May 98	716	708½	715	+1¼	20,901
Jul 98	718¾	711	717½	+1½	22,552
Aug 98	712	706½	711¼	+½	1,738

Est. sales 45,000 Tue's sales 55,404
Tue's open int 148,877, off 1,112

WHEAT (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Dec 97	343	338	338¾	-2½	3,108
Mar 98	361	354½	355½	-1¼	53,479
May 98	367¼	363	363½	-1½	10,974
Jul 98	371	367	368¼	-¾	17,235

Est. sales 20,000 Tue's sales 21,977
Tue's open int 88,617, off 10

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 97	67.50	66.77	66.82	-0.32	14,794
Feb 98	68.15	67.25	67.30	-0.50	46,236
Apr 98	71.57	70.90	70.95	-0.47	20,878
Jun 98	70.00	69.52	69.55	-0.32	12,899
Aug 98	70.25	70.05	70.12	-0.22	4,991
Oct 98	72.45	72.30	72.35	-0.27	1,301

Est. sales 16,431 Tue's sales 14,742
Tue's open int 103,209, off 199

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Jan 98	79.70	79.20	79.22	-0.15	8,471
Mar 98	79.65	79.30	79.32	-0.05	3,592
Apr 98	80.00	79.70	79.77	+0.12	1,392
May 98	80.40	80.25	80.27	+0.07	1,229
Aug 98	82.15	81.85	82.15	+0.15	617
Sep 98			81.95	+0.10	133

Est. sales 2,279 Tue's sales 2,223
Tue's open int 15,486, up 237

HOGS-Lean (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 97	62.50	61.90	62.45	+0.37	8,915
Feb 98	60.32	59.50	60.10	+0.17	18,316
Apr 98	57.42	57.02	57.22	+0.15	7,335
Jun 98	65.55	65.20	65.30	-0.07	3,990
Jul 98	64.30	64.12	64.20	+0.05	1,304

Est. sales 7,349 Tue's sales 8,438
Tue's open int 40,701, up 161

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Feb 98	58.45	57.25	58.17	+0.37	6,631
Mar 98	57.35	56.20	57.05	+0.90	1,095
May 98	58.12	56.75	58.12	-1.27	657

Est. sales 2,863 Tue's sales 1,778
Tue's open int 8,859, off 337

Food

COCOA (NCSE) 10 metric tons- $ per ton

	High	Low	Latest	Chge	Opint
Dec 97	1570	1550	1558	+10	333
Mar 98	1593	1578	1588	+10	49,180
May 98	1621	1611	1617	+11	18,768
Jul 98	1640	1630	1637	+11	4,691
Sep 98	1658	1657	1658	+14	5,742
Dec 98	1677	1676	1676	+12	9,130

Est. sales 3,086 Tue's sales 3,330
Tue's open int 99,123, up 630

COFFEE C (NCSE) 37,500 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 97	176.50	172.80	174.00	-1.50	1,040
Mar 98	169.00	165.10	167.20	-1.30	14,748
May 98	161.50	159.00	160.25	-1.90	5,159
Jul 98	154.25	151.50	152.90	-2.85	2,403
Sep 98	148.00	146.00	146.55	-1.70	1,191

Est. sales 7,386 Tue's sales 12,594
Tue's open int 25,655, up 1,816

SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Mar 98	12.45	12.36	12.38	-0.07	110,929
May 98	12.36	12.27	12.30	-0.06	31,934
Jul 98	12.07	11.96	11.97	-0.07	26,578
Oct 98	11.81	11.74	11.75	-0.04	23,513

Est. sales 11,788 Tue's sales 16,183
Tue's open int 200,854, off 1,672

ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Jan 98	81.50	79.95	81.40	+1.25	22,054
Mar 98	84.60	83.25	84.45	+1.05	14,941
May 98	87.45	86.35	87.45	+0.85	2,468
Jul 98	90.15	89.00	90.15	+0.65	1,876

Est. sales N.A. Tue's sales 2,777
Tue's open int 44,869, off 3

Metals

GOLD (NCMX) 100 troy oz.- dollars per troy oz.

	High	Low	Latest	Chge	Opint
Dec 97	294.00	252.60	292.60	-1.80	3,107
Jan 98			293.40	-1.60	6
Feb 98	296.30	292.40	294.50	-1.40	107,463
Apr 98	297.80	295.00	296.30	-1.40	11,470
Jun 98	299.50	297.70	298.40	-1.30	12,837
Aug 98	300.90	299.50	300.50	-1.30	4,897
Oct 98			302.60	-1.30	1,527
Dec 98	305.50	304.00	304.90	-1.20	13,049
Feb 99			307.00	-1.20	3,467

Est. sales 42,000 Tue's sales 23,754
Tue's open int 194,540, up 691

HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 97	82.85	79.80	80.30	-1.20	3,757
Jan 98	82.60	80.50	80.85	-1.55	2,472
Feb 98	83.10	81.10	81.45	-1.55	1,730
Mar 98	83.60	81.50	81.85	-1.55	31,741
Apr 98			82.35	-1.55	1,433
May 98	84.30	82.10	82.75	-1.35	4,677
Jun 98	83.70	83.05	83.05	-1.35	1,542
Jul 98	84.90	83.35	83.35	-1.25	3,472
Aug 98	84.20	83.45	83.45	-1.25	1,198

Est. sales 9,000 Tue's sales 7,718
Tue's open int 63,871, off 1,209

SILVER (NCMX) 5,000 troy oz.- cents per troy oz.

	High	Low	Latest	Chge	Opint
Dec 97	530.00	521.50	525.40	-2.30	1,613
Jan 98	527.70	525.50	527.70	-2.50	36
Feb 98			530.00	-2.50	
Mar 98	540.00	525.00	532.30	-2.50	65,477
May 98	540.00	529.00	535.30	-2.70	5,793
Jul 98	545.00	535.00	537.30	-2.90	5,262
Sep 98			539.00	-3.10	780
Dec 98	541.00	540.80	540.80	-3.50	5,001

Est. sales 14,000 Tue's sales 9,767
Tue's open int 89,243, off 327

PLATINUM (NMER) 50 troy oz.- dollars per troy oz.

	High	Low	Latest	Chge	Opint
Jan 98	389.00	385.50	385.70	-2.80	10,799
Apr 98	385.00	382.00	382.20	-2.80	2,356
Jul 98			379.20	-2.80	104

Est. sales N.A. Tue's sales 1,395
Tue's open int 12,859, up 119

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1561.00	1562.00	1567.00	1568.00
Forward	1584.00	1585.00	1589.00	1590.00
Copper Cathodes (High Grade)				
Spot	1776½	1777½	1793.00	1794.00
Forward	1808½	1809½	1822.00	1823.00
Lead				
Spot	517.00	518.00	514½	515½
Forward	534.00	535.00	531½	532.00
Nickel				
Spot	5860.00	5865.00	5975.00	5980.00
Forward	5955.00	5960.00	6065.00	6070.00
Tin				
Spot	5720.00	5730.00	5765.00	5770.00
Forward	5640.00	5645.00	5665.00	5670.00
Zinc (Special High Grade)				
Spot	1084½	1085½	1109.00	1110.00
Forward	1110.00	1111.00	1134.00	1135.00

Financial

US T BILLS (CMER) $1 million- pts of 100 pct.

	High	Low	Close	Chge	Opint
Dec 97	94.97	94.92	94.94	+0.01	5,815
Mar 98	95.07	95.02	95.07	+0.03	6,277
Jun 98	95.06	95.03	95.03	+0.05	382
Sep 98			94.99	+0.01	23

Est. sales N.A. Tue's sales 1,659
Tue's open int 12,997, up 219

5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct

	High	Low	Close	Chge	Opint
Dec 97	108-17	108-06	108-15	+ 08	108,909

Est. sales 72,000 Tue's sales 37,260
Tue's open int 259,797, off 3,439

10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Dec 97	111-29	111-22	111-26	+ 04	157,350
Mar 98	111-21	111-12	111-18	+ 04	244,075
Jun 98	111-15	111-12	111-15	+ 04	257

Est. sales 88,888 Tue's sales 84,193
Tue's open int 401,682, up 1,329

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Close	Chge	Opint
Dec 97	119-22	119-07	119-16	+ 06	173,465
Mar 98	119-16	119-01	119-10	+ 06	497,842
Jun 98	119-04	118-27	119-00	+ 06	15,208
Sep 98			118-23	+ 06	2,703

Est. sales 295,000 Tue's sales 339,538
Tue's open int 693,948, off 3,379

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Dec 97	119-18	118-21	119-05	-0-05	54,512
Mar 98	120-08	119-16	119-24	-0-08	149,426
Jun 98	103-31	103-31	104-06	-0-08	

Est. sales: 78,096. Prev. sales: 61,092
Prev. open int.: 204,848 up 5,556

GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Dec 97	104.39	104.08	104.22	-0.05	149,747
Mar 98	103.68	103.38	103.52	-0.05	124,820
Jun 98	N.T.	N.T.	102.82	-0.05	48

Est. sales: 267,125. Prev. sales: 237,840
Prev. open int.: 274,615 up 1,375

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	100.76	100.50	100.54	Unch.	100,660
Mar 98	100.28	100.02	100.06	+ 0.02	36,374
Jun 98	99.50	99.50	99.48	+ 0.02	12

Est. sales: 170,538.
Open Int.: 137,046 up 4,630.

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	114.40	113.97	114.05	-0.09	25,537
Mar 98	114.92	114.35	114.47	-0.15	98,474
Jun 98	N.T.	N.T.	114.47	-0.15	0

Est. sales: 64,171. Prev. sales: 140,425
Prev. open int.: 123,951 off 5,463

LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.

	High	Low	Latest	Chge	Opint
Dec 97	94.02	93.98	94.00	+0.01	21,091
Jan 98	94.26	94.24	94.26	+0.01	9,621
Feb 98	94.24	94.21	94.23	+0.01	4,261

Est. sales N.A. Tue's sales 6,787
Tue's open int 39,521, up 893

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Latest	Chge	Opint
Dec 97	94.11	94.06	94.09	unch.	411,608
Feb 98	94.17	94.14	94.16	+0.02	1,460
Mar 98	94.17	94.13	94.16	+0.03	452,773
Jun 98	94.15	94.08	94.14	+0.05	366,825
Sep 98	94.09	94.03	94.09	+0.05	266,740
Dec 98	94.01	93.95	93.99	+0.04	213,864
Mar 99	94.00	93.94	93.99	+0.05	160,680
Jun 99	93.96	93.89	93.95	+0.04	132,160
Sep 99	93.93	93.89	93.92	+0.04	98,391
Dec 99	93.88	93.82	93.86	+0.03	92,595
Mar 00	93.89	93.86	93.88	+0.03	72,325
Jun 00	93.87	93.84	93.86	+0.03	59,465

Est. sales N.A. Tue's sales 204,756
Tue's open int 2,784,350, up 2,910

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Latest	Chge	Opint
Dec 97	1.6838	1.6790	1.6822	+0.0020	52,637
Mar 98	1.6764	1.6718	1.6748	+0.0020	3,783
Jun 98			1.6672	+0.0020	1,248

Est. sales 6,230 Tue's sales 5,530
Tue's open int 57,669, off 653

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr

	High	Low	Latest	Chge	Opint
Dec 97	.7065	.7050	.7055	+0.0004	61,021
Mar 98	.7095	.7080	.7084	+0.0005	12,384
Jun 98	.7120	.7107	.7107	+0.0006	1,615

Est. sales 10,815 Tue's sales 13,120
Tue's open int 75,838, up 665

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Latest	Chge	Opint
Dec 97	.5665	.5625	.5650	+0.0019	68,971
Mar 98	.5695	.5655	.5680	+0.0020	9,863
Jun 98	.5712	.5707	.5707	+0.0020	4,109

Est. sales 14,199 Tue's sales 19,898
Tue's open int 83,052, up 1,678

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Latest	Chge	Opint
Dec 97	.7805	.7768	.7781	-0.0003	132,401
Mar 98	.7913	.7886	.7895	-0.0003	9,260
Jun 98	.8010		.8007	-0.0003	1,587

Est. sales 10,904 Tue's sales 22,448
Tue's open int 143,466, up 2,600

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Latest	Chge	Opint
Dec 97	.7025	.6977	.7005	+0.0016	43,929
Mar 98	.7100	.7050	.7076	+0.0016	7,222
Jun 98			.7147	+0.0015	1,293

Est. sales 13,015 Tue's sales 15,076
Tue's open int 52,555, up 2,906

MEXICAN PESO (CMER) 500,000 pesos, $ per peso

	High	Low	Latest	Chge	Opint
Dec 97	.12270	.12230	.12245	-.00121	14,699
Mar 98	.11850	.11810	.11822	-.00071	10,278
Jun 98	.11455	.11440	.11440	-.00142	2,958

Est. sales 6,422 Tue's sales 8,665
Tue's open int 32,374, off 78

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	92.29	92.27	92.28	Unch.	155,799
Mar 98	92.24	92.21	92.22	-0.01	123,618
Jun 98	92.28	92.25	92.26	-0.01	107,567
Sep 98	92.39	92.36	92.37	Unch.	82,656
Dec 98	92.56	92.52	92.54	Unch.	74,481
Mar 99	92.76	92.73	92.74	Unch.	63,309
Jun 99	92.93	92.89	92.91	Unch.	54,930

Est. sales: 53,929. Prev. sales: 44,557
Prev. open int.: 800,226 up 1,100

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	96.22	96.19	96.20	Unch.	274,525
Jan 98	96.22	96.20	96.21	Unch.	11,178
Feb 98	N.T.	N.T.	96.12	-0.01	750
Mar 98	96.08	96.04	96.06	-0.01	330,321
Jun 98	95.87	95.82	95.85	-0.01	296,183
Sep 98	95.70	95.65	95.67	-0.02	213,951
Dec 98	95.50	95.44	95.46	-0.02	192,761
Mar 99	95.34	95.28	95.30	-0.03	210,455
Jun 99	95.17	95.11	95.14	-0.03	100,219
Sep 99	95.03	94.98	95.00	-0.03	87,499

Est. sales: 173,991. Prev. sales: 141,623
Prev. open int.: 1,886,844 up 31,641

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	96.30	96.27	96.28	-0.01	49,769
Mar 98	96.09	96.05	96.06	-0.02	46,822
Jun 98	95.87	95.82	95.83	-0.03	33,497
Sep 98	95.68	95.64	95.66	-0.02	26,807
Dec 98	95.51	95.47	95.47	-0.03	25,001

Est. sales: 34,786.
Open int.: 277,596 off 1,687.

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 97	93.99	93.94	93.96	-0.03	102,600
Mar 98	94.76	94.69	94.71	-0.04	124,182
Jun 98	95.25	95.19	95.20	-0.05	126,464
Sep 98	95.39	95.34	95.36	-0.03	70,497
Dec 98	95.34	95.28	95.31	-0.03	57,818
Mar 99	95.21	95.16	95.18	-0.02	59,277

Est. sales: 48,014. Prev. sales: 79,114
Prev. open int.: 568,904 up 16,199

Industrials

COTTON 2 (NCTN) 50,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 97	68.50	67.73	67.97	-0.23	348
Mar 98	69.94	69.50	69.63	-0.16	43,788
May 98	71.28	70.85	70.98	-0.16	13,869
Jul 98	72.40	72.05	72.15	-0.05	14,579
Oct 98	73.95	73.50	73.63	-0.07	1,063

Est. sales N.A. Tue's sales 16,683
Tue's open int 84,956, up 2,123

HEATING OIL (NMER) 42,000 gal, cents per gal

	High	Low	Latest	Chge	Opint
Jan 98	53.95	52.50	52.50	+0.25	54,330
Feb 98	54.45	53.25	54.09	+0.22	26,187
Mar 98	54.40	53.45	54.14	+0.17	14,908
Apr 98	53.80	53.05	53.44	+0.07	7,799
May 98	53.10	52.45	52.74	+0.02	4,124
Jun 98	52.80	52.30	52.49	-0.03	5,753
Jul 98	52.90	52.50	52.54	-0.08	3,528

Est. sales N.A. Tue's sales 25,519
Tue's open int 131,922, off 22

LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.

	High	Low	Latest	Chge	Opint
Jan 98	18.91	18.47	18.80	+0.04	106,775
Feb 98	19.12	18.75	19.02	unch.	61,581
Mar 98	19.26	18.94	19.17	-0.02	34,819
Apr 98	19.35	19.10	19.27	-0.04	21,561
May 98	19.43	19.20	19.36	-0.04	19,653
Jun 98	19.50	19.30	19.40	-0.04	32,221

Est. sales N.A. Tue's sales 84,875
Tue's open int 421,315, up 6,926

NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu

	High	Low	Latest	Chge	Opint
Jan 98	2.725	2.565	2.609	-0.109	48,549
Feb 98	2.630	2.470	2.510	-0.107	27,715
Mar 98	2.440	2.340	2.370	-0.070	20,531
Apr 98	2.270	2.225	2.230	-0.045	11,926
May 98	2.230	2.190	2.205	-0.030	9,118
Jun 98	2.230	2.195	2.205	-0.030	8,482

Est. sales N.A. Tue's sales 35,329
Tue's open int 209,354, off 2,458

UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal

	High	Low	Latest	Chge	Opint
Jan 98	56.85	55.80	56.55	+0.12	34,208
Feb 98	57.10	56.15	56.93	+0.09	16,376
Mar 98	57.55	56.70	57.43	+0.08	10,731
Apr 98	60.10	59.65	60.06	+0.06	8,436
May 98	59.90	59.86	59.86	unch.	7,703
Jun 98	59.65	58.65	59.38	-0.03	5,619
Jul 98			58.55	-0.06	4,021
Aug 98			57.60	-0.06	1,710

Est. sales N.A. Tue's sales 21,854
Tue's open int 92,341, up 2,156

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Latest	Chge	Opint
Dec 97	165.75	163.00	164.75	-1.00	15,607
Jan 98	166.50	164.00	166.25	Unch.	25,045
Feb 98	166.50	164.00	166.00	-0.25	15,748
Mar 98	166.00	164.00	166.00	-0.25	11,125
Apr 98	165.25	163.50	164.75	-0.25	4,668
May 98	164.50	163.00	164.25	-0.25	2,486
Jun 98	164.25	163.25	164.00	-0.25	10,398

Est. sales:17,554. Prev. sales : 23,197
Prev. open int.99,244 off 401

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Latest	Chge	Opint
Jan 98	18.20	17.82	18.17	-0.02	55,209
Feb 98	18.25	17.95	18.18	Unch.	64,756
Mar 98	18.25	17.99	18.18	+0.03	18,366
Apr 98	18.24	18.03	18.19	+0.03	12,295
May 98	18.24	18.04	18.19	+0.03	8,559
Jun 98	18.20	18.08	18.19	+0.04	15,302

Est. sales:54,000. Prev. sales :47,395
Prev. open int.: 185,495 up 111

Stock Indexes

SP COMP INDEX (CMER) 250 x index

	High	Low	Latest	Chge	Opint
Dec 97	983.50	967.70	981.10	+6.00	354,571
Mar 98	994.50	978.30	992.50	+6.40	52,147
Jun 98	1002.80	1000.00	1002.00	+5.60	5,768

Est. sales N.A. Tue's sales 122,145
Tue's open int 414,272, up 6,613

FTSE 100 (LIFFE) £25 per index point

	High	Low	Latest	Chge	Opint
Dec 97	5029.0	5029.0	4991.0	-19.0	59,753
Mar 98	5068.0	5068.0	5037.0	-19.0	9,009
					68,762

Est. sales: 8,159 Prev. sales: 10,373
Prev. open int.: 68,762 up 3

CAC 40 (MATIF) FF200 per index point

	High	Low	Latest	Chge	Opint
Dec 97	2930.0	2901.0	2908.0	-12.0	44,572
Jan 98	2917.5	2916.5	2915.0	-12.0	4,594
Mar 98	2952.0	2926.0	2931.5	-12.5	11,251
Sep 98	2921.5	2912.5	2919.0	-12.0	10,285
Mar 99	2985.0	2982.0	2979.0	-9.00	5,330

Est. sales: 13,409.
Open int.: 78,742 off 156.

Commodity Indexes

	Close	Previous
Moody's	1,508.70	1,512.40
Reuters	1,795.50	1,793.90
D.J. Futures	144.52	144.93
CRB	236.06	236.98

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

AMEX

Wednesday's 4 P.M. Close
The 300 most traded stocks of the day, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

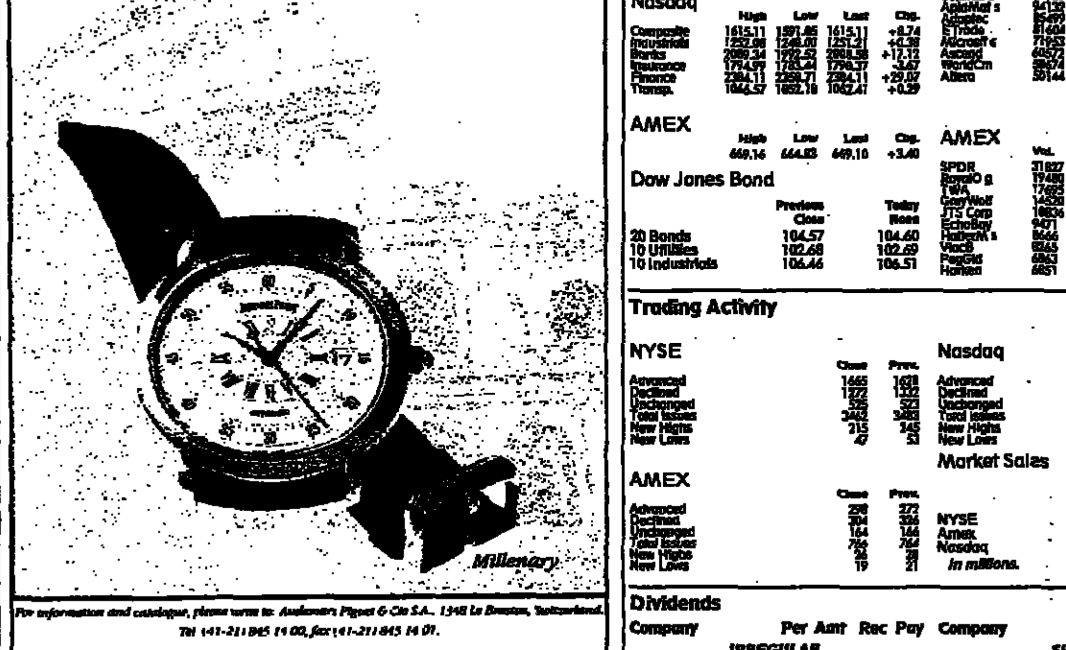
Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AP
AUDEMARS PIGUET
The master watchmaker.

«OUR AIM IS TO CREATE THE FINEST WATCHES IN THE WORLD.»
Jules-Louis Audemars, Edward-Auguste Piguet, 1875



For information and catalogue, please write to: Audemars Piguet & Cie S.A., 1348 Le Brassus, Switzerland. Tel +41-21 845 14 00, fax +41-21 845 14 01.

Internet: http://www.audemarspiguet.com e-mail: hq@audemarspiguet.com

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8020.07	8076.82	7961.44	8032.01	+13.18
Trans	3293.00	3298.16	3247.25	3290.44	+2.34
Util	258.[illegible]	259.71	[illegible]	[illegible]	-1.07
Comp	2613.46	2621.31	2588.78	2613.61	+1.27

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	1133.86	1125.53	1127.57	1134.98
Transp.	700.63	693.60	696.39	698.06
Utilities	222.51	220.30	220.80	219.99
Finance	118.24	117.63	118.10	119.30
SP 500	976.20	969.83	971.68	977.72
SP 100	468.48	464.92	466.15	468.78

NYSE

	High	Low	Last	Chg.
Composite	511.83	505.73	510.14	+2.50
Industrials	635.81	626.78	632.80	+2.48
Transp.	469.54	464.17	469.48	+2.38
Utility	324.96	320.72	322.76	+3.42
Finance	494.42	489.49	492.91	+3.42

Nasdaq

	High	Low	Last	Chg.
Composite	1615.11	1597.85	1615.11	+8.74
Industrials	1252.68	1240.00	1251.21	+0.38
Banks	2089.34	1992.52	2008.58	+17.12
Insurance	1714.99	1703.44	1710.37	-3.67
Finance	2384.11	2359.71	2384.11	+29.07
Transp.	1046.57	1052.18	1062.41	+0.29

AMEX

High	Low	Last	Chg.
669.16	664.83	669.10	+3.40

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	104.57	104.60
10 Utilities	102.68	102.69
10 Industrials	106.46	106.51

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Nasdaq

	Vol.	High	Low	Last	Chg.
3Com	297454	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	31827	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	1665	1628
Declined	1272	1332
Unchanged	526	523
Total issues	3462	3483
New Highs	215	145
New Lows	47	53

Nasdaq

	Noon	Prev.
Advanced	1471	1679
Declined	2239	2590
Unchanged	1857	1484
Total issues	5567	5753
New Highs	93	152
New Lows	150	179

AMEX

	Close	Prev.
Advanced	298	272
Declined	304	306
Unchanged	164	146
Total issues	766	764
New Highs	26	38
New Lows	19	21

Market Sales

	Today 4:00	Prev. cons.
NYSE	595.91	691.73
Amex	24.78	36.68
Nasdaq	637.13	650.38

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Community Fst	-	.15	12-15	1-1
Corp Bancor	-	.2409	12-8	12-16
Excelsior IncoShs	-	.37	12-19	1-30
LVMH Moet Hen	-	.2115	12-5	
London Intl GrpA	-	.0671	12-8	3-9
STOCK SPLIT				
Arbor Drugs 3 for 2 split.				
FFW Corp 2 for 1 split.				
REVERSE STOCK SPLIT				
Red Hot Concepts 1 for 3 reverse split				
INCREASED				
Comco Fncl	Q	.135	1-9	1-20
Canbra Foods g	A	.50	12-11	12-16
Farmers Brothers	Q	.65	1-6	2-2
Manpower Inc	S	.09	12-8	12-15
Omega Fncl	Q	.18	12-16	1-2
Secur Cap Pacific	Q	.34	2-11	2-25
Southside Bcshrs	Q	.19	12-8	12-15
Universal HlthRlty	Q	.43	12-17	12-31
INITIAL				
CH Robinson Wrld	-	.06	12-12	12-30
Craftmade Intl n	-	.02	12-31	1-15
Patina Oil Gas	-	.01	12-15	12-31
Phila Suburban n	-	.1625	2-10	3-1
StateFed Fncl n	-	.05	12-31	1-11
SPECIAL				
VanKam AC	-	.2987	12-15	12-31
VanK AC IncoTr	-	.0775	12-15	12-31
REGULAR				
Albertsons Inc	Q	.16	1-30	2-25
BlckRck Brdin	M	.075	12-11	12-19
Bowl Amer A	Q	.10	1-14	2-11
Brooke Group	Q	.075	12-12	12-16
Cameco Corp g	Q	.125	12-31	1-15
Casey Gen Strs	Q	.03	2-2	2-16
Celanese Cda g	Q	.20	12-19	1-5
Central VT PubSv	Q	.22	1-30	2-13
Century Aluminum	Q	.05	12-16	12-30
Ecology & Envir A	S	.16	12-12	1-10
FFW Corp	Q	.18	12-15	12-31
Four SeasonsH	S	.055	12-31	1-15
General ChemGrp	Q	.05	12-16	12-30
Granite Construct	Q	.06	12-30	1-16
Mills Corp	Q	.4725	1-2	1-20
North CentrlBcshrs	Q	.0625	12-15	1-6
O'Sullivan Corp	Q	.08	12-12	1-2
Omnicom Group	Q	.25	12-16	1-5
Snyder Oil	Q	.065	12-15	12-31
Templet	M	.05	12-16	12-31
Toastmaster Inc	Q	.02	12-15	12-31

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annually.

U.S. Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

هكذا من الأصل

Romania's Cabinet Brings Reform Hopes

By Peter S. Green
International Herald Tribune

PRAGUE — This week's shake-up in the Romanian government could restore the business community's faith in the country's potential, especially after months of government foot-dragging on vital economic reforms, investors and analysts say.

But they also warn that the government will have to take major action by the end of this month to rebuild its credibility.

Key reforms speeding privatization and protecting investment are still needed, some analysts say, along with clear signs that the government will cut taxes, halt its subsidies to unprofitable state enterprises and rein in public spending.

The cabinet shuffle, aided by prodding by President Emil Constantinescu, came Tuesday after months of bickering in the four-party coalition led by Prime Minister Victor Ciorbea. The government came to power late last year after seven years of leftist rule left Romania far behind in efforts to reform its post-Communist economy.

The new cabinet includes Finance Minister Daniel Daianu, the Western-trained chief economist at the central bank; Valentin Ionescu at the new Privatization Ministry, and Reform Minister Ilie Serbanescu, a noted economic commentator. All have been vocal critics of Romania's stalled reform efforts.

"Each of these ministers needs to take some fairly prominent concrete action in the next few weeks to show they are more than just new faces on old, stalled programs," said Roger Monson, a senior analyst at Daiwa Europe Ltd. in London.

Analysts say Romania's problems are not overwhelming. Other former Communist countries have faced and overcome similar handicaps, they say, but success will require tough action.

"I have hopes, but I can't say I'm happy about the government, because the new people have not presented a plan," said Dan Barbulescu, a director of Vanguard, a Bucharest brokerage. "They have to have enough spine to face down the people coming down the street with placards and make sure there is no repeat of the settlement with the miners and civil servants."

A flood of payments to civil servants, laid-off miners and subsidized industries threatens to undermine the success of measures that have tamed inflation and stabilized the currency since the current government took office.

Hungary faced a similar situation in March 1995, when stalled reform efforts threatened hyperinflation and economic collapse. Wages were frozen, civil-service jobs were cut 10 percent, the forint was devalued 9 percent, and a rapid privatization of strategic assets raised several billion dollars that went to paying foreign debt. Today, Hungary is one of Eastern Europe's best-performing economies, with projected growth of 3.4 percent for 1997.

In Romania, inflation jumped to 6.5 percent in October after hitting a low of 0.7 percent in July, and the economy will probably shrink this year before growing 2 percent to 3 percent in 1998, according to some forecasts.

Russia Set To Raise Its Rates

Central Bank Tries To Reassure Lenders

Compiled by Our Staff From Dispatches

MOSCOW — Russia plans to raise interest rates soon to calm markets, but the turmoil is not threatening local banks or plans to ease restrictions on foreigners withdrawing funds, the central bank said Wednesday.

"We intend to raise the refinancing rate, but will do it after determining a balance on the securities markets, and this will probably be based on the results of this week," the central bank chairman, Sergei Dubinin, told an investor conference.

"Perhaps we will need a few days next week," he added, without specifying by how much the rate would rise.

Yields on government paper have shot up despite efforts by the central bank to stop investors fleeing markets, efforts that appear to have eaten into foreign reserves.

Mr. Dubinin said the reserves, which include currency and gold, were at about $18 billion at the start of December — more than $4 billion below their Nov. 1 level, which he had said was $22.6 billion.

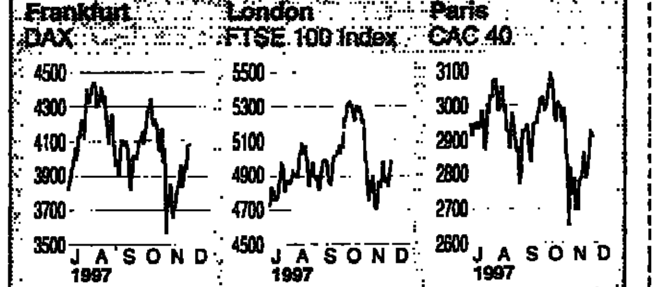
Investors had feared that heavy losses suffered by some Russian banks in stocks and bonds may have led to disruptions in the domestic banking system, but Mr. Dubinin said banks were not under threat.

Separately, Vnesheconombank, Russia's bank for economic affairs, said the country had completed its restructuring of Soviet-era debt to Western commercial banks, ending six years of negotiations on the repayment of $31 billion in defaulted loans and past-due interest.

Russia agreed to turn the principal portion of the defaulted debt into $22 billion worth of new, long-term loans, while providing $6 billion in long-term notes for past-due interest and $3 billion in cash.

Russia has faced financial pressure in recent weeks because of market turmoil that started in Asia, but Mr. Dubinin reassured investors that a pledge to lift restrictions for foreigners on Russia's currency markets from 1998 would be honored. *(Reuters, Bloomberg)*

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	AEX	909.47	913.70	-0.46
Brussels	BEL-20	2,472.73	2,462.74	+0.41
Frankfurt	DAX	4,082.89	4,072.96	+0.24
Copenhagen	Stock Market	639.04	641.15	-0.33
Helsinki	HEX General	3,357.97	3,440.82	-2.41
Oslo	OBX	658.85	664.70	-0.88
London	FTSE 100	4,970.70	4,977.60	-0.14
Madrid	Stock Exchange	618.27	621.70	-0.55
Milan	MIBTEL	15584	15592	-0.05
Paris	CAC 40	2,902.35	2,913.09	-0.37
Stockholm	SX 16	3,255.34	3,331.50	-2.29
Vienna	ATX	1,285.82	1,276.10	+0.70
Zurich	SPI	3,717.32	3,714.92	+0.06

Source: Telekurs — International Herald Tribune

Switzerland Loses Market Share in Offshore Banking

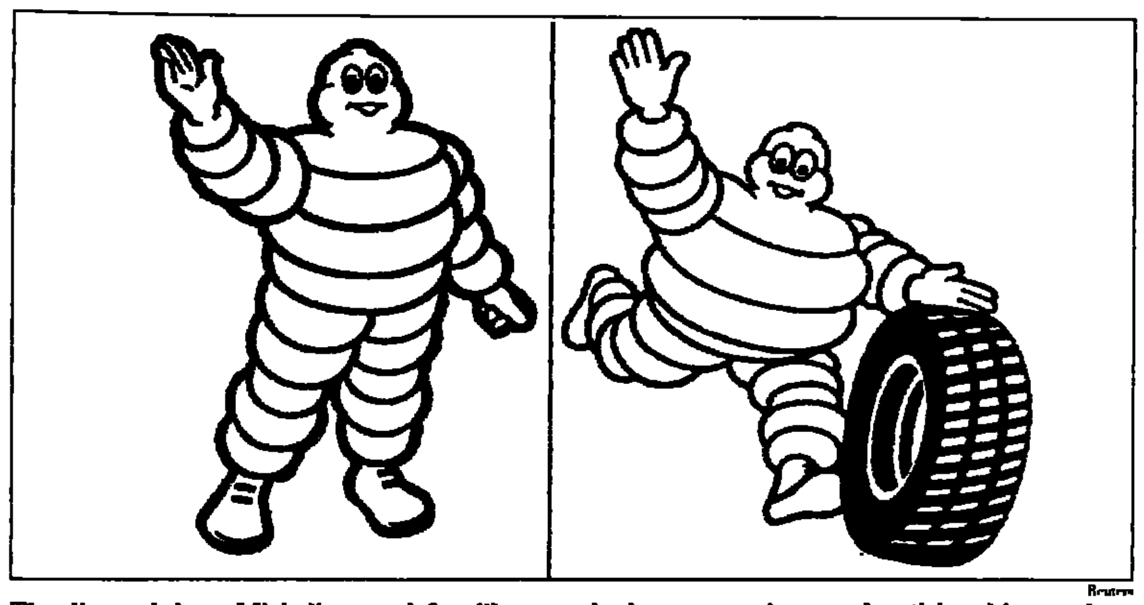
Reuters

GENEVA — Switzerland's importance as an offshore fund-management center is declining, with fewer than three of every 10 offshore dollars managed here, compared with four of 10 a decade ago, the author of a study said Wednesday.

Henner Schierenbeck, who heads the Center of Economics and Business Administration at the University of Basel, said at a private-banking conference here that more money was going instead to other offshore centers such as Luxembourg and the Caribbean. He also predicted that Swiss private banks would have to cut their fees in the lucrative advice-based business.

But, he said, even though its market share was declining, Switzerland remained the world's most important offshore financial center. Recent bank surveys put the volume of client assets managed here at $2 trillion.

He attributed the loss of market share to international criticism of Swiss banking-secrecy laws, the response to recent disclosures about Swiss handling of the assets of Holocaust victims and the shrinking role of the Swiss franc as the European Union prepares to introduce its single currency in 1999.



Reuters

The slimmed-down Michelin man, left, will appear in the company's new advertising this month.

The Michelin Man to Shape Up for His 100th Birthday

Reuters

PARIS — The tubby Michelin man, nearing 100, has been put on a diet.

The rotund logo, known around the world as a symbol of gustatory excess, will soon appear in a newer, slimmer version to mark his 100th year as an employee of the tiremaker Compagnie Generale des Etablissements Michelin SCA.

The advertising character, who looks like a stack of tires with arms and who is known as Bibendum, has changed appearances many times since his debut in April 1898 in a drawing by the French designer O'Galop.

But his waistline will no longer be inflated.

"Thinner and smiling, Bibendum will look like the leader he is, with an open and reassuring manner," Michelin said Tuesday in a statement unveiling the new Bibendum, who will begin appearing this month in advertising for Michelin products, which also include guidebooks.

An international public-relations campaign directed by the French advertising agency BDDP will celebrate the new Bibendum, whose name is derived from the Latin phrase "Nunc est bibendum," roughly translated as, "Now is the time to drink."

Very briefly:

- **Gucci Group NV** said third-quarter profit fell 6.3 percent, to $43.1 million, amid an expected decline in sales in Asia and Hawaii and the devaluation of several currencies against the dollar. Gucci warned in September that its profit would be hit by the worsening of the economies in some of its Asian markets.
- **Ford Motor Co.** said it had trade-union backing for a two-year pay deal valued at least 8.75 percent or more for its 30,000 British workers.
- **Hambros PLC** is negotiating with several companies including **Generale de Banque SA** of Belgium to sell all or part of its banking business. But the talks do not involve the sale its nonbanking operations or financial-services company.
- **Banca Commerciale Italiana SpA** said Europe's planned single currency would cost the bank 460 billion lire ($265.3 million), most of it from lost income on interest margins.
- **Ericsson AB** plans to save 2 billion Swedish kronor ($257 million) a year after 1999, when it plans to completes a cost-reduction program in its Infocom division.
- **Carlton Communications PLC** said its second-half net income rose 4 percent, to £108.1 million ($181.9 million), as its TV advertising and products, film and production units drove growth, offsetting lower video sales.
- **Bass PLC** announced a bigger-than-expected £177 million write-down of its Gala bingo-club assets. The write-down and the British brewer's £60 million in costs associated with its failed attempt to buy Carlsberg-Tetley contributed to a 29 percent decline in annual profit, to £477 million.
- **Quebecor Printing Inc.**, a Canadian printing company, offered £188.3 million for **Watmoughs Holdings PLC** of Britain to try to expand its presence in Europe.
- **Lego AS**, a Danish toymaker, said it was considering setting up Legoland amusement parks in southern Germany, Japan and South Korea after the success of its park near London, which opened in 1996.

Bloomberg, Reuters

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	172.66	−0.11	−0.06	+15.76
Regional Indexes				
Asia/Pacific	100.38	−0.30	−0.30	−18.67
Europe	190.40	−0.25	−0.13	+18.11
N. America	217.88	+0.12	+0.06	+34.52
S. America	150.69	+0.61	+0.41	+31.69
Industrial Indexes				
Capital goods	216.61	−1.52	−0.70	+26.73
Consumer goods	207.48	−0.41	−0.20	+28.53
Energy	195.00	+0.67	+0.34	+14.23
Finance	121.65	+0.24	+0.20	+4.46
Miscellaneous	156.39	−1.14	−0.72	−3.32
Raw Materials	171.84	+0.34	+0.20	−2.02
Service	173.61	+0.48	+0.28	+26.43
Utilities	163.76	−0.40	−0.24	+14.15

The International Herald Tribune World Stock Index © tracks the U.S. dollar value of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

WORLD STOCK MARKETS

Wednesday, Dec. 3
Prices in local currencies.
Telekurs

Amsterdam AEX index: 909.47 Previous: 913.70

	High	Low	Close	Prev.
ABN AMRO	40.70	39.70	40.40	40.30
Aegon	176	173.70	174.70	175
Ahold	55	54	54.60	54.90
Akzo Nobel	360.50	357.80	359	361
Baan Co	149.30	147.20	148.30	150
Bols Wess cva	31.10	30.50	31	31
CSM cva	85	84.60	85.50	85.30
Nordsche Pet	106	103.70	104	104.50
DSM	186.60	185	185.10	186.60
Elsevier	34.10	33.80	34	34.10
Fortis Amev	85.80	84.60	85.60	85.80
Getronics	70	68.70	70	69.90
G-Brocades	53.80	50.90	53.80	51.50
Hagemeyer	94.60	92.20	92.50	94
Heineken	349.50	341.20	347	345
Hoogovens cva	94	92.40	92.50	93.90
Hunt Douglas	80	79	79	80
ING Group	85.90	83.80	85.10	84.10
KLM	75.70	71	72.10	74.90
KNP BT	45.10	44.30	44.50	44.90
KPN	83	81.50	82.30	82.70
Nedlloyd Gp	47	45.20	45.20	46.50
Nutricia	61.10	58.70	60.60	60
Oce Grinten	231	224	228.80	229
Philips Elec	135.40	131	131.80	138
Polygram	104.80	102.20	102.20	103.40
Randstad Hdg	74.70	73.50	74.30	74.80
Robeco	191	189.60	190.50	189.60
Rodamco	56.50	56.10	56.30	56.20
Rolinco	179.40	178.80	179	179.30
Rorento	120	119.80	119.80	119.40
Royal Dutch	107.90	105.90	106.10	107
Unilever cva	118.50	117.10	118.40	117.40
Vendex Intl	109.80	107.50	109	108
VNU	51.50	48.80	50.70	49.70
Wolters Kl cva	269.70	266.50	268.30	268

Bangkok SET index: 377.38 Previous: 378.14

	High	Low	Close	Prev.
Adv Info Svc	193	188	188	194
Bangkok Bk F	116	108	114	114
Krung Thai Bk	12.50	11.25	12	11.75
PTT Explor	382	374	374	372
Siam Cement F	340	304	326	320
Siam Com Bk F	55.50	52	54	56.50
Telecomasia	11.50	10.25	11.50	11
Thai Airways	47	42.75	43	47.50
Thai Farm Bk F	101	92	100	100
Utd Comm	21.50	19.75	20.75	19.75

Bombay Sensex 30 index: 3542.27 Previous: 3553.48

	High	Low	Close	Prev.
Bajaj Auto	634	613	616	627.50
Hindust Lever	1400	1383	1385.25	1387.50
Hindust Petm	474	469.25	459.25	473.25
Ind Dev Bk	85.50	82	83	82
ITC	635.75	588	627.25	584
Mahanagar Tel	240.75	230.25	232.25	233
Reliance Ind	161.25	157.75	158.75	158.75
State Bk India	226.50	221	222.50	225.25
Steel Authority	10.75	10	10.50	10.50
Tata Eng Loco	298.25	289.50	291	295.25

Brussels BEL-20 index: 2472.73 Previous: 2462.74

	High	Low	Close	Prev.
Almanij	1680	1630	1680	1625
Barco Ind	6840	6770	6820	6860
BBL	9850	9630	9800	9610
CBR	3370	3315	3370	3340
Colruyt	19475	19300	19425	19475
Delhaize Lion	1895	1860	1890	1890
Electrabel	8290	8250	8270	8280
Electrafina	3445	3400	3415	3460
Fortis AG	7580	7450	7550	7490
Gevaert	1580	1555	1570	1560
GIB	5650	5540	5590	5580
Gen Banque	15275	15100	15200	15275
Kredietbank	15600	15475	15525	15500
Petrofina	14575	14350	14475	14400
Powerfin	5150	5140	5150	5180
Royale Belge	9840	9700	9870	9740
Soc Gen Belg	3510	3415	3500	3490
Solvay	2235	2205	2235	2210
Tractebel	3175	3100	3115	3120
UCB	129800	128550	129000	128950

Copenhagen Stock index: 639.04 Previous: 641.15

	High	Low	Close	Prev.
BG Bank	465	450	465	455
Carlsberg B	373	367	371	374
Codan Fors	965	952	965	960.96
Danisco	378	368	373	377.33
Den Danske Bk	813	801	812	808
D/S Svendbg B	405000	[illegible]	405000	[illegible]
D/S 1912 B	285300	[illegible]	[illegible]	[illegible]
FLS Ind B	179	170	172	169
Kob Lufthavn	790	790	790	785
Novo Nordisk B	887.50	775.75	870.50	885
Sophus Ber B	1070	1050	1061.06	1060
Tele Danmk B	407	400	406.41	407
Tryg Baltica	415	404	409.50	406
Unidanmark A	479	472	478	477.52

Frankfurt DAX: 4082.89 Previous: 4072.96

	High	Low	Close	Prev.
AMB B	176.50	174	174.50	176.80
Adidas	256	254.70	255.70	254
Allianz	431	425.10	429.50	427
Altana	122.95	120.90	122.10	121.50
Bk Berlin	38	37.90	38	38.35
BASF	65.45	64	65.10	64.50
Bay Hypo Bk	79.25	79	79.25	79
Bay Vereinsbank	107.50	106.30	107.50	106.20
Beiersdorf	86.95	85.50	86.90	86.65
Bilfinger Berger	[illegible]	[illegible]	[illegible]	[illegible]
BMW	1413	1390	1410	1392
CKAG Colonia	[illegible]	[illegible]	[illegible]	[illegible]
Commerzbank	[illegible]	[illegible]	[illegible]	[illegible]
Daimler Benz	[illegible]	[illegible]	[illegible]	[illegible]
Degussa	85.15	82.50	85	82.70
Deutsche Bank	114.50	112.75	114.50	115
Deut Telekom	36.45	36.30	36.60	36.40
Dresdner Bank	70.18	69.70	70	70.15
Fresenius	284	280	284	285
Fresenius Med	114.80	111.50	111.50	116.50
Fried. Krupp	354	349	351	350
Gehe	95.80	94.50	95.80	95
Heidelbg Zmt	138	137	138	137.50
Henkel pfd	110.50	108.70	109	109.70
HEW	461	461	461	461
Hochtief	80	75.50	79.50	74.30
Hoechst	63.35	62.70	63.35	63.20
Karstadt	642	634	642	630
Lahmeyer	78	76.50	76.50	79.90
Linde	1098	1090	1096	1090
Lufthansa R	36	35	35.20	34.95
MAN	542.50	531	531	574.20
Mannesmann	889	875.50	877.50	845.50
Metallgesellschaft	34	33.90	33.95	33.85
Metro	84	83	83	85.40
Munch Rueck R	598	594	595.80	595
Preussag	528.50	525	527	528.50
RWE	92.70	90.80	91.85	90.60
SAP	548	540	545	542
Schering	179	177.50	178.80	175.20
SGL Carbon	238.40	236	237.50	237
Siemens	107	105.80	106.70	107.95
Springer (Axel)	1400	1400	1400	1390
Suedzucker	940	935	940	925
Thyssen	415.80	412	414.20	417
Veba	107.70	106.20	106.60	107.30
VEW	552	552	550	550
Viag	917	907	908	920
Volkswagen	1042	1031	1039	1049

Helsinki HEX General index: 3357.97 Previous: 3440.82

	High	Low	Close	Prev.
Enso A	46.70	46.70	46.70	46.70
Huhtamaki I	233	230	233	229
Kemira	50.50	50	50.40	50.60
Kesko	80.10	79.50	80	80.50
Merita A	27	26.70	26.70	27
Metra B	130.50	130	130.20	130.50
Metsa-Serla B	47	46	47	46
Neste	125	123	123	125
Nokia A	422	398	404	434
Orion-Yhtymae	209	205	206	207
Outokumpu	73.50	71.70	71.70	73.50
UPM-Kymmene	116.70	115.50	115.50	116.20
Valmet	79	78	79	78.50

Hong Kong Hang Seng: 11207.58 Previous: 11214.35

	High	Low	Close	Prev.
Amoy Props	6.80	6.60	6.65	6.90
Bk East Asia	18.80	18.10	18.55	18.15
Cathay Pacific	7.15	6.90	6.90	7
Cheung Kong	57	54.75	56.25	56
CK Infrastruct	20.40	19	19.90	18.80
China Light	41.70	40	41.10	41.10
Citic Pacific	33.40	32.10	32.60	32.90
Dao Heng Bk	23.30	20.40	22.60	20.40
First Pacific	5.60	5.40	5.50	5.50
Hang Lung Dev	12.15	11.85	11.90	12.15
Hang Seng Bk	76	73.75	75	75.25
Henderson Inv	6.60	6.45	6.60	6.60
Henderson Ld	40.10	38.90	39.80	39.50
HK China Gas	14.70	14.35	14.45	14.60
HK Electric	28.15	27.85	28.10	27.85
HK Telecomm	15.90	15.25	15.45	15.50
Hopewell Hdgs	2.13	2.05	2.08	2.13
HSBC Hdgs	201	195.50	199.50	201
Hutchison Wh	57.75	55.25	56.50	55.75
Hysan Dev	16.40	15.90	16.35	16.25
Johnson El Hdg	22.70	22.40	22.60	22.40
Kerry Props	13.80	13.30	13.80	13.30
New World Dev	30.50	29.50	29.45	30
Oriental Press	2.55	2.40	2.55	2.40
Pearl Oriental	0.44	0.38	0.43	0.39
SHK Props	62	59.75	61	61.50
Shun Tak Hdgs	2.63	2.45	2.60	2.63
Sino Land Co	4.88	4.70	4.75	4.85
Sth China Post	6.05	5.95	6.05	6.05
Swire Pac A	43.40	42.40	43	43
Wharf Hdgs	17.10	16.40	16.40	16.70
Wheelock	9.30	9	9.20	9.20

Jakarta Composite index: 389.68 Previous: 394.28

	High	Low	Close	Prev.
Astra Intl	1900	1800	1875	1875
Bk Intl Indon	450	425	450	450
Bk Negara	550	525	550	550
Gudang Garm	7575	7425	7425	7575
Indocement	1500	1475	1500	1525
Indosat	8225	8200	8225	8250
Sampoerna HM	4750	4625	4650	4750
Semen Gresik	2675	2650	2675	2750
Telekomunikasi	2675	2625	2675	2675

Johannesburg All Market: 6296.81 Previous: 6341.61

	High	Low	Close	Prev.
ABSA Group	28.50	27.60	27.90	28.60
AngloAm Coal	254	250	250	254
AngloAm Corp	203.80	201.80	202.40	203.80
AngloAm Gold	186	180	180	189
AngloAm Ind	121	117	118	123
AngloAm Plat	75.70	75.50	75.50	76.10
AVMIN	6.45	6.20	6.20	6.40
Barlow	45.40	44.40	44.55	45.65
CG Smith	21.05	20.75	20.75	21.10
De Beers	103.70	101.60	102.60	102.60
Driefontein	33.10	32.80	33	33.15
Fst Natl Bk	41.50	40.90	41.50	41
Gencor	7.80	7.40	7.75	7.90
GFSA	69.20	65	65.20	69.40
Imperial Hdgs	60.20	59.50	59.70	60.40
Ingwe Coal	19.70	18.90	18.90	19.25
Iscor	2.16	2.10	2.14	2.16
Johnnies Indl	52.10	51.50	52.10	52.20
Liberty Hdgs	333	329	333	331
Liberty Life	123	121	122	122.20
LibLife Strat	17	16.50	16.50	17
Minorco	86.40	86	86	86.70
Nampak	15.90	15.55	15.90	15.75
Nedcor	108.80	106.20	106.20	109.60
Rembrandt Gp	38	36.75	37.20	38.10
Richemont	57.60	55.70	56.70	57.10
SA Breweries	120.20	118.20	120	118.80
Samancor	26.50	26.25	26.25	26.50
Sasol	51.50	49.05	51	49.60
SBIC	212.20	209	212	212.60
Tiger Oats	69	68.40	69	69

Kuala Lumpur Composite: 548.86 Previous: 536.95

	High	Low	Close	Prev.
AMMB Hdgs	3.08	2.97	2.99	3.04
Genting	8.30	8	8.30	8.15
Mal Banking	9.30	8.70	9.20	8.70
Mal Intl Ship F	4.32	4.18	4.32	4.18
Petronas Gas	8.85	8.25	8.75	8.45
Proton	4.36	4.30	4.32	4.38
Public Bk	1.99	1.95	1.95	1.97
Renong	1.92	1.37	1.80	1.86
Resorts World	5.05	4.92	4.96	4.96
Rothmans PM	31.25	30.50	31	30.25
Sime Darby	3.74	3.48	3.66	3.48
Telekom Mal	8.10	7.90	8.10	7.85
Tenaga	6.25	5.95	6.05	6.05
Utd Engineers	3.60	3.20	3.24	3.24
YTL	3.82	3.76	3.80	3.80

London FT-SE 100: 4970.70 Previous: 4977.60

	High	Low	Close	Prev.
Abbey Natl	9.83	9.49	9.74	9.82
Allied Domecq	5.43	5.35	5.40	5.43
Anglian Water	8.30	8.03	8.12	8.05
Argos	6.16	6.08	6.12	6.10
Asda Group	1.69	1.64	1.66	1.62
Assoc Br Foods	5.60	5.45	5.54	5.50
BAA	5.09	5.02	5.05	5.02
Barclays	15	14.51	14.91	14.65
Bass	8.76	8.52	8.76	8.74
BAT Ind	5.47	5.33	5.44	5.50
Bank Scotland	5.36	5.26	5.37	5.26
Blue Circle	3.52	3.42	3.52	3.45
BOC Group	9.55	9.41	9.50	9.50
Boots	9.23	8.88	9.12	9.05
BPB Ind	3.41	3.37	3.37	3.44
Brit Aerosp	16.69	16.56	16.58	16.46
Brit Airways	5.59	5.31	5.41	5.43
BG	2.85	2.76	2.82	2.79
Brit Land	6.73	6.62	6.62	6.81
Brit Petm	8.19	8.10	8.15	8.06
BSkyB	4.63	4.53	4.55	4.48
Brit Steel	1.42	1.38	1.41	1.40
Brit Telecom	4.84	4.47	4.68	4.65
BTR	2.10	2.03	2.10	2.06
Burmah Castrol	10	9.89	9.95	9.95
Burton Gp	1.49	1.47	1.47	1.47
Cable Wireless	5.40	5.20	5.38	5.33
Cadbury Schw	6.50	6.15	6.40	6.46
Carlton Comm	4.84	4.60	4.66	4.76
Coml Union	8.47	8.32	8.47	8.24
Compass Gp	7.09	7.03	7.04	7.06
Courtaulds	2.97	2.80	2.80	2.81
Diageo	6.82	6.57	6.61	6.77
Electrocomponents	4.35	4.26	4.35	4.14
EMI Group	4.68	4.52	4.63	4.53
Energy Group	6.37	6.28	6.35	6.31
Enterprise Oil	5.85	5.78	5.81	5.82
Fam Colonial	1.68	1.66	1.68	1.67
Genl Accident	11.40	10.01	10.13	10.17
GEC	3.98	3.85	3.91	3.89
GKN	13.25	12.01	13.21	12.99
Glaxo Wellcome	13.50	13.25	13.46	13.34
Granada Gp	8.55	8.44	8.48	8.47
Grand Met	5.48	5.35	5.36	5.47
GRE	3.15	2.96	3.11	3.07
Greenalls Gp	4.09	3.86	4	3.85
Guinness	5.46	5.36	5.38	5.46
GUS	7.18	6.77	6.86	7.04
Hays	7.73	7.55	7.60	7.52
HSBC Hldgs	15.62	15.08	15.20	15.19
ICI	8.72	8.63	8.67	8.72
Impl Tobacco	3.94	3.64	3.90	3.94
Kingfisher	8.62	8.40	8.43	8.48
Ladbroke	2.85	2.80	2.83	2.81
Land Sec	9.79	9.62	9.74	9.63
Lasmo	2.67	2.62	2.64	2.64
Legal Genl Grp	5.28	5.07	5.13	5.14
Lloyds TSB Gp	7.23	7.08	7.13	7.07
LucasVarity	1.91	1.88	1.90	1.90
Marks Spencer	6.37	6.16	6.23	6.29
MEPC	5.55	5.28	5.54	5.36
Mercury Asset	16.76	16.70	16.74	16.72
National Grid	3.09	2.98	3	3.02
Natl Power	5.80	5.61	5.74	5.66
NatWest	9.10	8.94	9.06	8.89
Next	7.45	7.32	7.39	7.45
Norwich Union	3.70	3.60	3.69	3.61
Orange	2.59	2.50	2.53	2.57
P&O	6.65	6.55	6.62	6.45
Pearson	8.34	8.10	8.17	8.34
Pilkington	1.26	1.24	1.25	1.25
PowerGen	7.88	7.61	7.78	7.66
Premier Farnell	4.19	4	4.19	4.05
Prudential	6.89	6.56	6.79	6.51
Railtrack Gp	10.50	10.22	10.44	10.14
Rank Group	3.60	3.47	3.48	3.46
Reckitt Coln	9.02	8.80	8.94	8.99
Redland	3.44	3.40	3.42	3.41
Reed Intl	6.38	6.31	6.35	6.37
Rentokil Initial	2.52	2.45	2.48	2.48
Reuters Hdgs	6.81	6.55	6.81	6.62
Rexam	2.90	2.83	2.87	2.84
RTZ reg	7.44	7.27	7.37	7.28
RMC Group	9.35	9	9.24	9
Rolls Royce	2.42	2.38	2.41	2.38
Royal Bk Scot	7.05	6.85	6.90	6.75
Royal & Sun All	5.90	5.61	5.85	5.45
Safeway	3.30	3.23	3.27	3.24
Sainsbury	5.06	5	5.04	5.01
Schroders	18.57	18.38	18.42	18.32
Scot Newcastle	7.36	7.18	7.38	7.18
Scot Power	4.97	4.81	4.90	4.78
Securicor	2.74	2.70	2.70	2.73
Severn Trent	9.70	9.51	9.62	9.69
Shell Transp R	4.24	4.18	4.19	4.15
Siebe	11.84	11.50	11.61	11.54
Smiths Nephew	1.72	1.69	1.72	1.69
SmithKline	6.09	5.97	6.03	6.09
Smiths Ind	8.25	7.98	8.19	7.90
Sthern Elec	4.68	4.59	4.67	4.58
Stagecoach	8.24	7.52	7.61	7.60
Stand Charter	7.15	6.90	7.12	7
Tate & Lyle	4.82	4.77	4.82	4.75
Tesco	5.08	4.95	5.01	4.93
Thames Water	9.21	9.12	9.21	9.14
3i Group	5.12	5	5.08	5.01
TI Group	5.20	4.94	4.97	4.98
Tomkins	3.12	3.04	3.06	3.09
Unilever	4.81	4.70	4.78	4.73
Utd Assurance	5.26	5.15	5.20	5.19
Utd News	7.65	7.51	7.56	7.62
Utd Utilities	8.08	7.73	7.94	7.73
Vendome Lx uts	4.68	4.55	4.66	4.70
Vodafone	3.85	3.76	3.77	3.86
Whitbread	8.50	8.37	8.45	8.46
Williams Hdgs	3.43	3.30	3.31	3.27
Wolseley	5.01	4.75	4.84	4.97
WPP Group	2.64	2.61	2.62	2.65
Zeneca	19.42	19.20	19.29	19.18

Madrid Bolsa index: 618.27 Previous: 621.78

	High	Low	Close	Prev.
Acerinox	24700	24350	24490	24730
ACESA	2035	2000	2025	2045
Aguas Barcelon	6340	6250	6330	6380
Argentaria	9370	9268	9330	9330
BBV	4610	4560	4590	4625
Banesto	1435	1420	1420	1425
Bankinter	8520	8400	8420	8510
Bco Centro Hisp	3080	3035	3075	3090
Bco Popular	9690	9580	9650	9700
Bco Santander	4600	4555	4580	4605
CEPSA	4700	4570	4665	4650
Continente	2980	2930	2965	2950
Corp Mapfre	7760	7500	7650	7550
Endesa	2855	2830	2845	2860
FECSA	1355	1315	1345	1340
Gas Natural	7400	7180	7240	7380
Iberdrola	2005	1980	1980	1995
Pryca	2415	2375	2405	2400
Repsol	6530	6440	6440	6540
Sevillana Elec	1470	1440	1440	1470
Tabacalera	11450	11300	11340	11380
Telefonica	4610	4510	4540	4550
Union Fenosa	1500	1490	1500	1500
Valenc Cement	2830	2830	2825	2820

Manila PSE index: 1799.49 Previous: 1779.25

	High	Low	Close	Prev.
Ayala	14	13.75	13.75	13.50
Ayala Land	14	13.75	13.75	13.50
Bk Philip Isl	87.50	82.50	87.50	81.50
C&P Homes	2.20	2.02	2.20	2.04
Manila Elec A	76.50	74.50	76.50	74
Metro Bank	275	262.50	267.50	277.50
Petron	3.45	3.35	3.45	3.40
PCIBank	135	133	135	135
Phil Long Dist	860	845	860	860
San Miguel B	46	45.50	45.50	45
SM Prime Hdg	5.60	5.50	5.60	5.50

Mexico Bolsa index: 5113.34 Previous: 5126.67

	High	Low	Close	Prev.
Alfa A	64.20	62.70	63.20	63.90
Banacci B	20.00	19.36	19.90	19.66
Cemex CPO	36.70	36.00	36.30	36.70
Cifra C	16.50	16.38	16.40	16.40
Emp Moderna	40.10	40.10	40.10	40.10
Gpo Carso A1	56.80	55.60	56.20	56.70
Gpo F Bcomer	3.15	3.08	3.15	3.14
Gpo Fin Inbursa	32.50	32.40	32.50	32.50
Kimb Clark Mex	37.80	37.20	37.65	37.80
Televisa CPO	158.20	157.80	157.80	158.00
TelMex L	21.45	21.25	21.40	21.25

Milan MIB Telematico: 15584.00 Previous: 15592.00

	High	Low	Close	Prev.
Alleanza Assic	16780	16310	16650	16500
Bca Comm Ital	5040	5000	5005	5055
Bca Fideuram	7470	7305	7470	7310
Bca di Roma	1437	1408	1430	1430
Benetton	28050	27400	27800	27950
Credito Italiano	4840	4720	4800	4815
Edison	9980	9700	9940	9785
ENI	10080	9760	9760	10000
Fiat	5180	5080	5120	5150
Generali Assic	39100	38700	39000	38950
IMI	18525	18310	18450	18500
INA	3080	3025	3050	3075
Italgas	6825	6690	6785	6785
Mediaset	8600	8330	8450	8545
Mediobanca	12465	12290	12400	12450
Montedison	1499	1469	1490	1480
Olivetti	977	964	970	969
Parmalat	2525	2465	2470	2550
Pirelli	4700	4580	4700	4645
RAS	16280	15860	16130	16030
Rolo Banca	25200	24800	25050	25200
S Paolo Torino	15080	14570	14915	14695
Telecom Italia	11040	10910	11020	10995
TIM	7355	7125	7330	7165

Montreal Industrials index: 3322.53 Previous: 3375.89

	High	Low	Close	Prev.
Bce Mob Com	40	39.60	39.90	39.80
Cdn Tire A	29¾	29.15	29¾	29.35
Cdn Util A	39¼	39.55	39.55	39.60
CT Finl Svc	52	52	52	51.90
Gaz Metro	18.70	18	18.35	18.65
Gt-West Lifeco	35	34.60	34.60	34¾
Imasco	52.80	51.10	52.80	51
Investors Grp	41.80	41½	41.80	41
Loblaw Cos	24.40	24.15	24.40	24½
Natl Bk Canada	23.40	22¾	22.95	23.05
Power Corp	46¼	45¾	45.80	45.95
Power Finl	45.70	45	45¼	45
Quebecor B	27.70	27½	27.70	27.70
Rogers Comm B	6.35	6.30	6.30	6.20
Royal Bk Cda	81	79¾	79.65	80.35

Oslo OBX index: 658.85 Previous: 664.70

	High	Low	Close	Prev.
Aker A	126.50	125.50	125.50	127
Bergesen Dy A	184	183	183.50	185
Christiania Bk	26.70	26.10	26.10	26.60
Den norske Bk	31.20	30.90	31.10	31.40
Elkem	101	99	100	101
Hafslund A	45	45	45	44
Kvaerner	360	358	359	360
Norsk Hydro	363	357	359	362
Norske Skog A	222	217.50	220	220
Nycomed Amer	188	188	188	190
Orkla A	634	628	633	635
Petrol GeoSvc	460	452	455	454.50
Saga Petm A	127	124.50	124.50	128
Schibsted	130	128.50	130	129
Transocean Off	340	340	340	340
Storebrand	48.50	47.50	47.50	48.40

Paris CAC-40: 2902.35 Previous: 2913.09

	High	Low	Close	Prev.
Accor	1162	1129	1159	1154
AGF	334.70	332.60	333.50	334.70
Air Liquide	940	927	933	943
Alcatel Alsth	745	731	734	756
Axa-UAP	439.40	432.50	438.60	432.60
Bancaire	910	899	907	905
BIC	429.90	416.10	425	422
BNP	294.80	288.60	292.80	290.80
Canal Plus	1045	1022	1027	1033
Carrefour	3272	3186	3190	3276
Casino	333.90	328.20	333.90	329.90
CCF	360	358	358.80	360
Cetelem	777	769	776	772
Christian Dior	657	625	652	632
Credit Agricole	1114	1100	1114	1100
Danone	993	967	992	970
Dexia Fran	650	637	645	644
Elf-Aquitaine	676	662	671	664
Eridania BS	971	931	961	933
Eurodisney	7.70	7.50	7.50	7.60
Eurotunnel	6.60	6.25	6.40	6.65
France Telecom	217.50	215.80	215.80	217
Gen. Eaux	807	787	795	792
Havas	407	400.40	404.50	405.70
Imetal	707	697	706	707
Lafarge	394.80	385.30	385.90	396
Legrand	1200	1180	1186	1194
L'Oreal	2360	2325	2337	2349
LVMH	1085	1055	1057	1080
Michelin B	330	323	327.40	328.50
Paribas A	443.90	436.70	442.80	440
Pernod Ricard	318	308	317.30	307.70
Peugeot Cit	699	684	699	690
Pinault-Print	3170	3101	3141	3110
Promodes	2325	2266	2297	2265
Renault	176.20	170.50	173.10	172.60
Rexel	1811	1777	1790	1800
Rh-Poulenc A	272.40	267	269	270.50
Sanofi	594	586	588	590
Schneider	338.80	331.50	332.80	332
SEB	830	803	825	805
SGS Thomson	410	382	388	420
Ste Generale	805	788	803	788
Sodexho	3250	3210	3248	3230
St Gobain	829	804	808	829
Suez (Cie)	15.50	15.50	15.50	15.80
Suez Lyon Eaux	662	656	660	657
Synthelabo	760	736	757	742
Thomson CSF	172.40	167.50	170	169.50
Total B	627	612	615	619
Usinor	95.80	90.80	92.90	96.30
Valeo	[illegible]	[illegible]	404.70	[illegible]

São Paulo Bovespa index: 09987.59 Previous: 09964.30

	High	Low	Close	Prev.
Bradesco Pfd	8.65	8.30	8.55	8.50
Brahma Pfd	755.00	745.00	751.00	745.00
Cemig Pfd	53.30	52.00	53.00	52.80
CESP Pfd	75.00	72.00	74.990	72.50
Copel	14.090	13.70	13.70	14.00
Eletrobras	549.00	533.00	540.00	547.00
Itaubanco Pfd	515.00	510.00	510.00	510.00
Light Servicios	460.00	460.00	460.00	460.00
Lightpar	302.20	300.00	300.00	301.00
Petrobras Pfd	268.00	261.00	262.00	266.00
Paulista Luz	164.50	155.00	161.50	160.00
Sid Nacional	29.49	28.70	28.90	29.49
Souza Cruz	8.70	8.55	8.70	8.70
Telebras Pfd	124.99	121.50	123.50	122.80
Telemig	136.00	129.90	130.98	133.00
Telerj	119.00	117.00	117.00	118.00
Telesp Pfd	320.00	310.00	319.00	310.00
Unibanco	37.50	36.00	36.90	36.90
Usiminas Pfd	7.05	6.85	7.01	6.85
CVRD Pfd	21.30	20.50	20.90	20.70

Seoul Composite index: 379.31 Previous: 376.87

	High	Low	Close	Prev.
Dacom	49100	41900	49100	45500
Daewoo Heavy	5100	4600	5100	5000
Hyundai Eng.	7280	7280	7280	7910
Kia Motors	4700	4600	4600	5000
Korea El Pwr	14600	13200	14600	13600
Korea Exch Bk	3890	3360	3850	3650
LG Semicon	15600	15600	15600	16900
Pohang Iron St	48300	42500	48300	44800
Samsung Display	34500	29900	34500	32400
Samsung Elec	42000	36600	41900	39700
Shinhan Bank	6420	5750	6420	5950
SK Telecom	372500	346000	372500	345000

Singapore Straits Times: 1696.29 Previous: 1697.26

	High	Low	Close	Prev.
Asia Pac Brew	4.60	4.60	4.60	4.48
Cerebos Pac	4.62	4.54	4.62	4.56
City Devlts	8.35	8	8.20	8.10
Cycle Carriage	7.20	7.10	7.10	7.25
Dairy Farm Int *	0.93	0.92	0.92	0.92
DBS foreign	15.70	15.40	15.50	15.80
DBS Land	2.75	2.70	2.73	2.71
Fraser & Neave	8.45	8.10	8.15	8.15
HK Land *	2.21	2.18	2.21	2.19
Jard Matheson *	5.60	5.30	5.50	5.40
Jard Strategic *	2.93	2.89	2.89	2.93
Keppel A	5.60	5.40	5.55	5.50
Keppel Bank	2.74	2.70	2.70	2.70
Keppel Fels	4.64	4.62	4.62	4.60
Keppel Land	2.62	2.58	2.59	2.61
OCBC foreign	10.80	10.30	10.50	10.80
OS Union Bk F	6.75	6.55	6.55	6.75
Parkway Hdgs	3.84	3.64	3.74	3.60
Sembawang	5.50	5.25	5.50	5.50
Sing Air foreign	11.10	10.70	10.80	11.10
Sing Land	4.84	4.76	4.82	4.74
Sing Press F	23.30	22	22.60	23.10
Sing Tech Ind	1.63	1.59	1.61	1.61
Sing Telecomm	3.16	2.98	3.04	3.20
Tat Lee Bank	2.70	2.63	2.67	2.63
Utd Industrial	0.73	0.72	0.72	0.73
Utd O'Sea Bk F	10.60	10.20	10.50	10.70
Wing Tai Hdgs	2.12	2.07	2.11	2.07

*: in U.S. dollars.

Stockholm SX 16 index: 3255.34 Previous: 3331.50

	High	Low	Close	Prev.
AGA B	102.50	99	102	99
ABB A	99	97.50	98.50	99
AssiDoman	213	207	213	209
Astra A	139	136.50	137.50	139
Atlas Copco A	250	245	248.50	249
Autoliv	297	291.50	291.50	297.50
Electrolux B	626	607	610	609
Ericsson B	307.50	292.50	297	317
Hennes B	363	350	359	357
Incentive A	720	714	716	722
Investor B	388	377	379.50	389
MoDo B	220	216	217	219
Nordbanken	275	267	268.50	279
Pharm/Upjohn	272	264	271	261
Sandvik B	240	237	237	238.50
Scania B	190	186	186	190.50
SCA B	174	171.50	174	171
S-E Banken A	92.50	91.50	92.50	92.50
Skandia Fors	407	396	396.50	405
Skanska B	330	325	330	329
SKF B	188	182.50	182.50	189.50
ForeningssB	201.50	195	201.50	199.50
Stora A	103	99.50	100	103
Sv Handels A	285	276	281	280.50
Volvo B	221	216	219	218.50

Sydney All Ordinaries: 2562.40 Previous: 2524.80

	High	Low	Close	Prev.
Amcor	6.77	6.66	6.76	6.68
ANZ Bkng	10.75	10.34	10.75	10.35
BHP	14.70	14.10	14.61	14.14
Boral	3.93	3.75	3.75	3.85
Brambles Ind.	28.61	28.15	28.17	28.40
CBA	17.20	17.02	17.10	17.18
CC Amatil	11.40	11	11	11.20
Coles Myer	7.72	7.56	7.70	7.58
Comalco	6.40	6.15	6.22	5.95
CSR	5	4.90	4.95	4.93
Fosters Brew	2.78	2.75	2.78	2.75
Goodman Fld	2.36	2.30	2.36	2.33
ICI Australia	11.20	10.73	11.19	10.76
Lend Lease	31.49	30.20	31.02	30.50
MIM Hdgs	1.19	1.11	1.15	1.12
Nat Aust Bank	20.60	20	20.44	20.10
Nat Mutual Hdg	2.44	2.38	2.42	2.39
News Corp	7.80	7.60	7.73	7.74
Pacific Dunlop	3.17	3.13	3.16	3.14
Pioneer Intl	3.89	3.83	3.87	3.84
Pub Broadcast	8.90	8.62	8.86	8.70
Rio Tinto	16.95	16.65	16.90	16.50
St George Bank	9.30	9.01	9.28	9.07
WMC	5.25	4.85	5.18	4.87
Westpac Bking	9.38	9.24	9.34	9.25
Woodside Pet	11.06	10.80	11.06	10.75
Woolworths	4.92	4.70	4.87	4.70

Taipei Stock Market index: 7902.51 Previous: 7679.53

	High	Low	Close	Prev.
Cathay Life Ins	136	131.50	135	133
Chang Hwa Bk	91	87	90	89
Chiao Tung Bk	65.50	63.50	65	64
China Develpmt	89	86	88.50	87
China Steel	24.80	23	24.80	23.20
First Bank	90.50	87	90	88.50
Formosa Plastic	59	56	58.50	55.50
Hua Nan Bk	97	93	96	94.50
Intl Comm Bk	54	52	53.50	52.50
Nan Ya Plastics	57	54	56	54
Shin Kong Life	91	87	91	88
Taiwan Semi	119	115	118.50	115.50
Tatung	36.20	35.10	35.80	35.60
Utd Micro Elec	63	61.50	62.50	62.50
Utd World Chin	57	55	56.50	54.50

Tokyo Nikkei 225: 16585.58 Previous: 16970.29

	High	Low	Close	Prev.
Ajinomoto	1180	1160	1160	1170
All Nippon Air	621	601	601	611
Amway	2390	2300	2320	2300
Asahi Bank	610	572	572	605
Asahi Chem	563	550	560	570
Asahi Glass	813	771	784	828
Bk Tokyo Mitsu	1830	1780	1800	1830
Bk Yokohama	396	363	384	398
Bridgestone	2860	2790	2820	2840
Canon	3210	3180	3190	3210
Chubu Elec	2020	2010	2010	2030
Chugoku Elec	1900	1850	1850	1900
Dai Nipp Print	2490	2430	2460	2460
Daiei	554	485	500	558
Dai-Ichi Kang	1000	975	990	999
Daiwa Bank	355	298	330	315
Daiwa House	1010	970	970	1020
Daiwa Sec	472	441	442	484
DDI	3990a	3850a	3870a	3960a
Denso	2400	2340	2380	2390
East Japan Ry	5820a	5770a	5790a	5840a
Eisai	1920	1860	1880	1860
Fanuc	4970	4840	4840	4920
Fuji Bank	718	670	692	721
Fuji Photo	4590	4560	4580	4600
Fujitsu	1460	1440	1440	1450
Hachijuni Bk	1100	1070	1080	1070
Hitachi	967	946	959	950
Honda Motor	4750	4650	4670	4670
IBJ	1150	1120	1120	1160
IHI	281	270	270	272
Itochu	335	321	321	330
Ito-Yokado	6110	5990	6030	6040
JAL	399	395	395	398
Japan Tobacco	9780a	9660a	9660a	9780a
Jusco	2180	2040	2040	2160
Kajima	435	422	428	429
Kansai Elec	2170	2160	2170	2180
Kao	1770	1740	1740	1760
Kawasaki Hvy	300	295	296	302
Kawa Steel	209	205	205	211
Kinki Nipp Ry	704	696	696	700
Kirin Brewery	995	977	977	987
Kobe Steel	121	117	117	121
Komatsu	731	720	720	730
Kubota	458	432	434	451
Kyocera	6290	6090	6250	6200
Kyushu Elec	1940	1920	1930	1950
LTCB	250	225	240	245
Marubeni	305	295	300	309
Marui	2070	2020	2040	2060
Matsu Comm	3910	3840	3910	3860
Matsu Elec Ind	2020	2000	2020	2000
Matsu Elec Wk	1060	1050	1050	1060
Mitsubishi	1020	1000	1000	1020
Mitsubishi Ch	252	246	246	253
Mitsubishi El	359	350	350	360
Mitsubishi Est	1550	1520	1530	1560
Mitsubishi Hvy	554	537	542	541
Mitsubishi Mat	450	435	435	450
Mitsubishi Tr	1640	1570	1570	1640
Mitsui	895	878	885	886
Mitsui Fudosn	1390	1350	1370	1390
Mitsui Trust	294	259	260	276
Murata Mfg	4000	3950	4000	4000
NEC	1400	1370	1370	1390
Nikon	1580	1470	1480	1570
Nikko Sec	430	411	416	443
Nintendo	13500	13200	13200	13600
Nipp Express	695	670	674	692
Nippon Oil	429	415	416	424
Nippon Steel	238	235	235	237
Nissan Motor	553	545	548	544
NKK	139	134	137	136
Nomura Sec	1620	1590	1600	1600
NTT	10900b	10700b	10800b	10900b
NTT Data	6400b	6260b	6370b	6380b
Oji Paper	550	530	530	550
Osaka Gas	297	287	287	295
Ricoh	1610	1580	1580	1620
Rohm	13000	12900	12900	12900
Sakura Bk	473	445	466	463
Sankyo	3160	3050	3130	3550
Sanwa Bank	1390	1350	1370	1370
Sanyo Elec	375	365	370	371
Secom	8080	7980	7980	8000
Seibu Rwy	5920	5510	5510	5930
Sekisui Chem	933	928	929	928
Sekisui House	930	916	920	920
Seven-Eleven	9100	8970	9030	8950
Sharp	910	895	896	910
Shikoku El Pwr	1910	1870	1870	1910
Shimizu	419	410	412	416
Shin-etsu Ch	3000	2950	3000	3000
Shiseido	1810	1770	1790	1780
Shizuoka Bk	1260	1230	1250	1240
Softbank	3310	3100	3100	3100
Sony	11500	11200	11300	11500
Sumitomo	834	815	827	830
Sumitomo Bk	1600	1530	1560	1570
Sumit Chem	434	426	426	434
Sumitomo Elec	1740	1720	1730	1740
Sumit Metal	265	259	264	263
Sumit Trust	870	847	850	880
Taisho Pharm	3280	3200	3210	3190
Takeda Chem	3740	3640	3670	3700
TDK	11200	10900	10900	11500
Tohoku El Pwr	1920	1890	1890	1920
Tokai Bank	697	665	675	685
Tokio Marine	1210	1190	1190	1210
Tokyo El Pwr	2280	2260	2260	2260
Tokyo Electron	5200	5040	5150	5270
Tokyo Gas	305	296	299	308
Tokyu Corp.	557	536	536	547
Tonen	960	920	920	991
Toppan Print	1700	1670	1700	1680
Toray Ind	624	600	608	605
Toshiba	581	571	581	590
Tostem	1450	1430	1450	1450
Toyo Trust	818	791	800	821
Toyota Motor	3690	3660	3680	3690
Yamanouchi	3240	3200	3220	3240

a: x 100; b: x 1,000

Toronto TSE Industrials: 6660.29 Previous: 6667.46

	High	Low	Close	Prev.
Abitibi Cons.	20.15	19.45	19.85	20.30
Alberta Energy	29.05	28¾	28.90	29.20
Alcan Alum	39.95	39.35	39.80	39.80
Anderson Expl	13.95	13.20	13.85	13.20
Bk Montreal	64.85	63.60	64.10	64½
Bk Nova Scotia	65.20	64.20	64.60	65
Barrick Gold	23.55	23¼	23.45	23½
BCE	44.80	44.05	44.80	44.05
BC Telecomm	38½	37.70	38¼	37.60
Biochem Pharm	37	36¾	36¾	36.85
Bombardier B	29.70	28.95	29½	29.40
Cameco	52	49	49¾	51.20
CIBC	45.85	44½	45	44.70
Cdn Natl Rail	71.60	71.10	71.60	71.35
Cdn Nat Res	33.20	31.85	33.20	32.20
Cdn Occid Pet	32¼	31.55	32.15	31.95
Cdn Pacific	41.40	40.15	41.40	40.15
Cominco	25	24.55	24.65	24¾
Dofasco	22.55	22.30	22.40	22.40
Domtar	10.30	10.15	10.30	10¼
Donohue A	25	24½	25	24¾
Du Pont Cda A	34½	34.15	34½	34.20
EdperBrascan	26.10	25.80	26	25.90
EuroNev Mng	16	14.85	15	15¾
Fairfax Finl	330	322	322	326
Falconbridge	18.15	17.85	18	18¼
Fletcher Chall A	19¾	19¼	19½	19.45
Franco Nevada	25½	24.95	25¼	25.40
Gulf Cda Res	10.60	10.35	10½	10¼
Imperial Oil	83¾	82¼	83¼	82.80
Inco	27¼	26¼	26.95	27.20
IPL Energy	62.15	61	61¼	62.15
Laidlaw B	19.20	19	19	19.10
Loewen Group	34.35	33.85	33.85	34
Macmill Bldl	15.55	15.30	15¼	15½
Magna Intl A	93.65	92.70	92.80	93½
Methanex	12.30	12.10	12¼	12.30
Moore	22.60	21½	22	22.70
Newbridge Net	63½	60.85	61.30	64¼
Noranda Inc	25½	24.80	25.40	25
Norcen Energy	16.80	16½	16.55	16.60
Nthern Telecom	134	128¾	132½	135.35
Nova	13.20	13	13.15	13.15
Onex	31.20	30¼	30.55	31.30
Pancdn Petlm	23.65	23¼	23.60	23½
Petro Cda	26.30	25.20	26.20	25.05
Placer Dome	17.15	16.70	16.85	17.05
Poco Petlm	12.20	11¾	12.10	11.95
Potash Sask	119	115½	116	118¾
Renaissance	30.20	29¼	29.80	29½
Rio Algom	26½	26¼	26¼	26.40
Rogers Cantel B	15.40	15.15	15.15	15¾
Seagram Co	45.90	45¼	45.40	46¼
Shell Cda A	25.30	24.60	25.30	24.60
Suncor	47.05	45½	46¼	47¼
Talisman Eny	43.55	41½	43.05	41.70
Teck B	20.65	19.80	20.35	20.20
Teleglobe	48.20	47.90	48	48
Telus	31	30.65	30¾	31.05
Thomson	37.85	37½	37¼	37.70
TorDom Bank	53.65	52½	52.90	53.40
Transalta	20¼	20.05	20.45	20.40
TransCda Pipe	31.05	30.90	31.05	30.85
Trimark Finl	70¼	69½	70½	69.90
Trizec Hahn	35.90	34.80	35.05	34.35
TVX Gold	3.60	3.45	3.51	3.55
Westcoast Eny	32.70	32.55	32.65	32.80
Weston	113½	111	111¼	113½

Vienna ATX index: 1285.82 Previous: 1276.10

	High	Low	Close	Prev.
Boehler-Uddeh	839.90	815	827	832.50
Creditanst Pfd	660	620	636.10	620
EA-Generali	3050	3000	3050	3030
EVN	1634	1616	1631	1626.50
Flughafen Wien	514	507.70	510	509
OMV	1720	1680	1711	1686.90
Oest Elektrz	1010	1003	1008	1010
VA Stahl	506.90	493	505	498.90
VA Tech	1929	1895	1928	1893
Wienerberg Bau	2489.50	2455	2484	2467

Wellington NZSE-40 index: 2291.94 Previous: 2338.75

	High	Low	Close	Prev.
Air N Zeald B	3.35	3.35	3.35	3.30
Brierly Invt	1.24	1.20	1.24	1.20
Carter Holt ord	2.57	2.50	2.57	2.50
Fletch Ch Bldg	4.70	4.68	4.70	4.70
Fletch Ch Eny	6.62	6.52	6.55	6.49
Fletch Ch Forst	1.55	1.52	1.52	1.49
Fletch Ch Paper	2.43	2.30	2.43	2.27
Lion Nathan	3.88	3.85	3.85	3.88
Telecom NZ	8.79	8.50	8.79	8.49
Wilson Horton	10.50	10.40	10.40	10.50

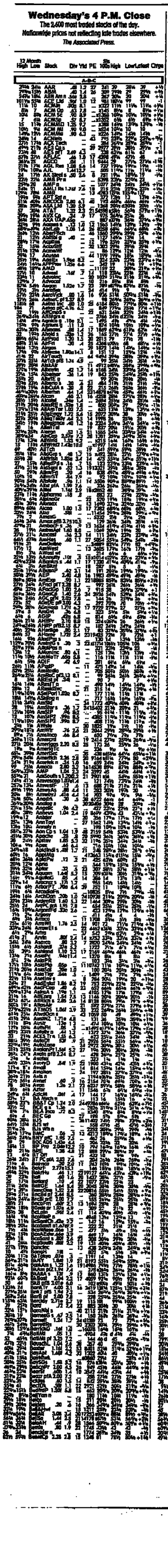
Zurich SPI index: 3717.32 Previous: 3714.92

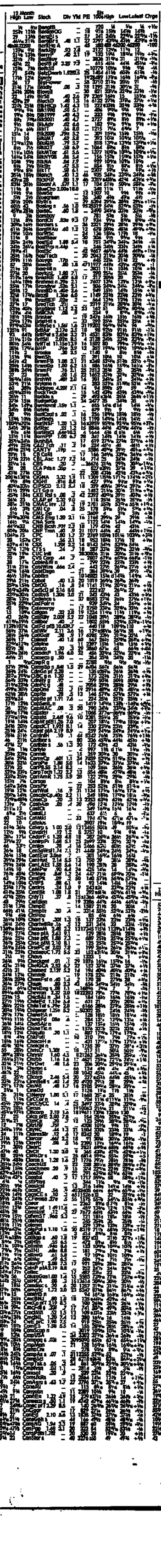
	High	Low	Close	Prev.
ABB B	1934	1921	1926	1936
Adecco B	428.50	420.50	421	421
Alusuisse R	1348	1335	1346	1340
Ares-Serono B	2545	2445	2445	2480
Atel R	N.T.	N.T.	N.T.	820
Baer Hdg B	2370	2340	2370	2365
Baloise Hdg R	2641	2605	2620	2628
BK Vision	1362	1315	1362	1326
Ciba Spec Chem	159.50	153	158.75	154
Clariant R	1191	1180	1183	1182
Crd Suisse Gp R	216.75	212.50	214.50	213.50
Elektrowatt B	550	548	549	550
Ems-Chemie	7015	6955	7015	7000
ESEC Hdg	4009	3920	3979	3980
Holderbank B	1274	1262	1267	1279
Liechtenst LB B	562	558	561	558
Nestlé R	2130	2116	2121	2135
Novartis R	2352	2310	2318	2361
Oerlikn Bueh R	203.75	199	203	203
Pargesa Hld B	1790	1777	1790	1800
PharmVisn B	861	855	856	864
Richemont A	1698	1670	1681	1695
Pirelli PC	310	309	310	310
Roche Hdg PC	13195	12885	13040	13000
SBC R	440	420	440	421
Schindler PC	1700	1650	1700	1630
SGS B	2635	2501	2550	2645
SMH B	811	798	806	806
Sulzer R	985	948	957	979
Swiss Reins R	2390	2367	2379	2380
SAir Group R	1965	1925	1964	1931
UBS B	1918	1848	1914	1849
Winterthur R	1579	1481	1560	1555
Zurich Assur R	624	613	619	617

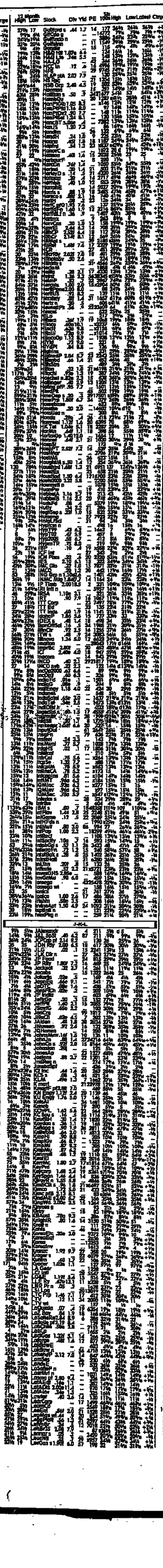
NYSE

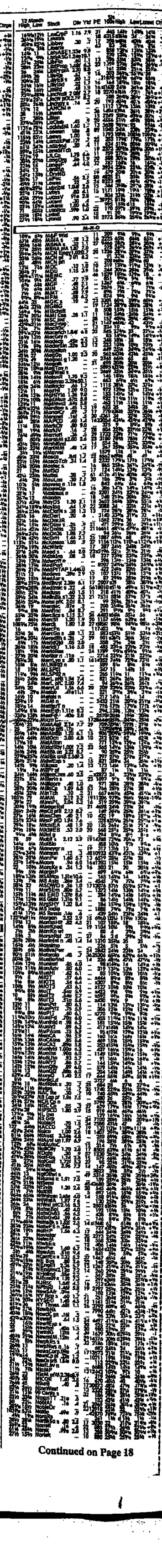
Wednesday's 4 P.M. Close

The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.









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Continued on Page 18

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December 3, 1997

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NASDAQ

Wednesday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

NYSE

Wednesday's 4 P.M. Close

(Continued)

هكذا من الأصل

Toshiyuki Aizawa/Reuters

Handy Way to Make Calls?

A Nippon Telegraph & Telephone Corp. employee testing a prototype wristwatch phone that the company said Wednesday it hoped to release commercially within two years. The device weighs 45 grams (1.58 ounces). The prototype features an ultrasmall antenna, high-density lithium-ion battery and a new power-saving computer chip.

Japan Faces Further Weakness in Yen

By Stephanie Strom
New York Times Service

TOKYO — Waiting for an elevator at the Keidanren, Japan's influential business association, one can hardly underestimate the importance of the dollar-yen exchange rate. A digital display monitor hanging from the ceiling shows just how many yen it would take to buy a dollar at that moment.

Lately, it takes a lot more yen.

Despite complaints from Washington about the expanding Japanese trade surplus in the past few months, Japanese exports are getting less expensive. The yen is trading this week at its lowest level against the dollar since May 1992.

The dollar closed in Tokyo on Wednesday at 128.65 yen. It has risen nearly 11 percent against the yen this year and 61 percent against the Japanese currency since touching a postwar low of just under 80 yen in April 1995.

Japan's exports are likely to become even cheaper, according to some economists and currency traders. According to some forecasts, the dollar could reach 140 yen, a level last seen in June 1991.

The yen's most recent slide, which reflects the continued weakness of the Japanese financial system, has not been welcome in Washington because a buildup of Japanese imports could hurt important American industries. The weakening yen also disturbed Japan's finance minister, Hiroshi Mitsuzuka.

"I have been concerned about the recent fluctuation of the yen's exchange rate, and its movement today is unacceptable," Mr. Mitsuzuka said Tuesday.

He said Japan and the United States were prepared to stem the fall if necessary, and hours later, currency traders

Tokyo's interest rates are negligible, the economy is weak, and the banking system is burdened with bad loans.

seemed to take notice as the yen recovered some ground.

But the likely outlook for the yen is for further erosion against the dollar. Interest rates in Japan are negligible, the economy is weak, and the banking system is burdened with bad loans.

"The yen should be weaker," said Kazuteru Hasegawa, head of foreign-exchange trading at the Bank of America here. "I think what's happened in this region recently is likely to damage the yen."

The currency weaknesses through much of Asia — brought on for differing reasons in Thailand, Malaysia and South Korea — have put added pressure on Japan, which relies heavily on exports that compete with goods from some of these countries.

Since the Japanese government raised taxes in April, causing already weak consumer demand to slow sharply, the Japanese have been more dependent than ever on exports to pull their economy out of its slump.

"The Japanese economy is, over all, stimulated by a weaker yen vis-a-vis the dollar," said Minoru Makihara, president of Mitsubishi Corp. "In that sense, and since a trading company's activities are related to the state of the Japanese economy, a weaker yen versus the dollar is not bad news."

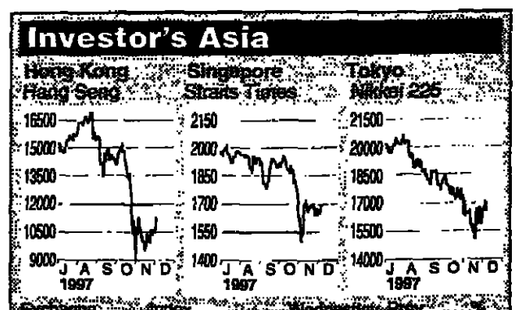
■ Economy Shrank in First Half

Japan's economy shrank in the first half of this fiscal year, Reuters reported, quoting official statistics.

Gross domestic product — the total output of goods and services, excluding net income from overseas production — fell an inflation-adjusted 1.4 percent from the previous year in the April-September period, the government's Economic Planning Agency said.

The agency also said GDP rose 0.8 percent in the second quarter of the fiscal year from the first quarter.

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,287.58	11,216.35	-0.06
Singapore	Straits Times	1,696.29	1,697.26	-0.06
Sydney	All Ordinaries	2,562.46	2,524.60	+1.49
Tokyo	Nikkei 225	16,585.39	16,810.29	-1.34
Kuala Lumpur	Composite	548.06	536.95	+2.07
Bangkok	SET	377.38	378.14	-0.20
Seoul	Composite Index	379.31	376.67	+0.85
Taipei	Stock Market Index	7,902.51	7,679.53	+2.90
Manila	PSE	1,799.49	1,779.25	+1.14
Jakarta	Composite Index	399.68	396.29	+1.17
Wellington	NZSE-40	2,391.94	2,338.75	+2.27
Bombay	Sensitive Index	3,562.37	3,550.48	+0.25

Source: Telekurs — *International Herald Tribune*

Very briefly:

• **China's** economy will grow 9 percent or more in 1997, with less than 2 percent inflation, Chen Jinhua, minister of state planning, said. But he added: "Overall quality and efficiency are not high, the economic structure is not rational, and some state-owned enterprises' vitality is not strong."

• **Toyota Motor Corp.** has received more than 2,000 orders for its gasoline-electric hybrid car, more than double its initial monthly target, the Jiji press agency reported, adding that orders could hit 3,000 by the time of the car's Dec. 10 introduction.

• **Mazda Motor Corp.** said it had developed an electric vehicle that operates using fuel cells, which generate electricity through a reaction between hydrogen and oxygen. The Demio FCEV, with a maximum speed of 90 kilometers (56 miles) per hour, will need recharging every 170 kilometers and will be sold in Japan in 2005.

• **Infosys Technologies Ltd.**, an Indian software company, plans to raise as much as $75 million by issuing American depositary receipts. *Bloomberg, Reuters*

Currencies Skid Again, Then IMF Pact Lifts Won

Compiled by Our Staff From Dispatches

SINGAPORE — Several Asian currencies set fresh record lows against the dollar Wednesday, but central bank intervention and an agreement between South Korea and the International Monetary Fund halted the declines of some.

The dollar hit highs against the South Korean won, the Indonesian rupiah, the Malaysian ringgit and the Thai baht.

"People really just don't know what's going on in many of these countries right now, and until the air clears a little, possibly early next year, no one wants to be a hero," a trader at a U.S. investment firm in London said.

Analysts said the $55 billion South Korean financial rescue plan was close to what had been expected and might calm markets in the short term.

"The market will be reasonably appeased by this, in terms of size, but the focus still remains on the details of the IMF conditions," Graham Neilson of Banque Paribas in London said.

After touching a record high of 1,300 won in Seoul, the dollar slipped back to 1,196 won from 1,230 won Tuesday. But it rose to 41.35 baht from 41.25 baht, to 3,815 rupiah from 3,735 rupiah and to 3.6450 ringgit from 3.5852 ringgit.

Central bank intervention helped stabilize the Indian rupee a day after the Reserve Bank of India announced steps designed to push short-term interest rates higher and limit speculation against the currency. The dollar fell back to 39.03 rupees from 39.25 rupees Tuesday. *(Reuters, Bloomberg)*

U.S. Clears Importing Of 21 Chinese Herbs

Agence France-Presse

BEIJING — China has won clearance to export 21 herbal medicines to the United States, officials said Wednesday, raising the possibility of major world markets for plants such as milk vetch and bupleurum.

"The U.S. Food and Drug Administration, one of the world's strictest inspectors of foodstuffs and medicines, has granted 'entry visas' to 21 products," said Yan Liang, director of science and technology collaboration at the Academy of Traditional Chinese Medicine.

"Medicines approved by the FDA are more likely to be accepted by a number of other countries such as Canada, Mexico and Egypt," he was quoted as saying by the official China Daily. The approved herbal medicines include tonics and tablets to prevent and treat illnesses such as colds, stomach ache and diarrhea.

"The lack of an international standard, poor packaging and vague instructions are major obstacles preventing Chinese herbal medicines entering the world market," Mr. Yan said. He said 19 other traditional Chinese medicines were awaiting the Food and Drug Administration's approval.

China has been working to gain broader scientific acceptance of the field and raise its exports of herbal medicines, an industry generating more than $600 million in sales annually. But sales of Chinese medicines in the United States account for only 3 percent of all herbal medicines sold there.

China has long promoted its traditional herbal medicines as effective complementary treatments for illnesses ranging from minor ailments to deadly diseases such as cancer and acquired immune deficiency syndrome.

Chinese herbalists, for example, have pinned their hopes on licorice for fighting the AIDS epidemic.

"Now we need to conduct a more scientific and objective appraisal of the curative effects on AIDS of traditional Chinese medicine," said Guan Chongfen, head of immunological research at the Academy of Traditional Chinese Medicine.

Japan Banks Downgraded

Compiled by Our Staff From Dispatches

TOKYO — Sumitomo Bank Ltd. and three other major banks had their credit ratings lowered Wednesday by IBCA Ltd., a European ratings concern, in the latest sign of fading confidence in Japan's lenders.

IBCA downgraded long- and short-term debt of Sumitomo, Sanwa Bank Ltd., Dai-Ichi Kangyo Bank Ltd. and Long-Term Credit Bank of Japan Ltd. Moody's Investor Service Inc., meanwhile, said it was considering downgrading debt of the regional lenders Ashikaga Bank Ltd., Hokuriku Bank Ltd. and Kiyo Bank Ltd. to junk, or speculative grade. *(AFP, Bloomberg, Reuters)*

RAIDER: *Corporate Titan Shakes Up France*

Continued from Page 13

Defense of Minority Shareholders took him to court over the way he had sought to merge his Printemps chain with La Redoute by offering Redoute stockholders shares in Printemps.

It contended that Mr. Pinault stood to acquire roughly $1 billion in capital for heavily indebted Printemps while the value of junior investors' shares would be diluted.

Two years earlier, the association cried foul over the way Mr. Pinault acquired Printemps in the first place, by bidding for only 66 percent of its shares.

Though the minority holders lost both court battles, they like to think they won the war: French laws were tightened to require investors to bid for all of a takeover target's stock.

Colette Neuville, founder and president of the shareholders association, acknowledged, in words dripping with irony that Mr. Pinault, by stuffing out loopholes, had fostered changes in legislation. "I always say," she said, "that the minority shareholders should raise a statue to Pinault."

Yet she acknowledges that Mr. Pinault has not acted outside the law.

Stock-market analysts, in any event, love Mr. Pinault's magic. With the French economy coming back and retail sales on the rise again, his stores will benefit from several years of heavy investment in computerization and improved logistics, said Michelle Wolff, an analyst at UBS Securities in Paris, whose recommendation for the group is to buy.

"All the main subsidiaries are improving their margins," she said.

Even so, the minority shareholders group is again pursuing a trail that leads to Mr. Pinault.

Last year, a furniture company called Dapta-Mallia had declared bankruptcy, leaving bearers of $63 million of bonds it issued three years earlier with worthless paper.

French authorities found that Dapta's problems began in 1992, when it paid $14 million to acquire three furniture companies — from Mr. Pinault, through Printemps.

This time, the association is not suing Mr. Pinault but KPMG, the French unit of the international accounting firm KPMG Peat Marwick, which audited the numbers used in the bond prospectus.

The largest of the three companies acquired from Mr. Pinault had a $19 million gap on its balance sheet and, after the purchase, was found in a government report and a court ruling to have regularly overstated the value of its inventories.

The suit contends that when Dapta issued its bonds, the discrepancy was already known to management and that KPMG failed in its duties by not preventing figures based on the false inventory amounts from being used in the prospectus.

Dapta says it was a victim in all this, and KPMG denies wrongdoing.

Eventually, the Printemps group compensated Dapta for the $19 million gap.

The case is bogged down in a provincial court, and the shareholders association accuses Mr. Pinault of bringing his political power to bear.

"Pinault is a friend of the president," Mrs. Neuville said.

Mr. Pinault's investment interest is turning increasingly abroad. Since 1990, the overseas share of Artemis's revenue has grown to about 40 percent from virtually nothing, largely as a result of acquisitions in the United States.

In 1991, Credit Lyonnais was a partner with the Apollo investment fund of Leon Black, the aggressive former deal-maker at Drexel Burnham Lambert, in acquiring for almost $3 billion the junk-bond portfolio of the failed Executive Life Insurance Co. of California. But when Credit Lyonnais learned that American law did not permit banks to own operating companies acquired in a foreclosure, it sought a buyer.

Enter Mr. Pinault. After borrowing money from Credit Lyonnais, Mr. Pinault took a long shot, paying $1.9 billion for a package of the bonds that was subsequently exchanged for equity, including large chunks of almost two dozen American companies, from Converse and Florsheim shoes to Samsonite and the ski resort at Vail.

When stock prices took off, Mr. Pinault hit the jackpot. According to a recent report by Goldman, Sachs & Co., his U.S. investments have yielded an average annual return since 1991 of 40 percent.

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WORLD ROUNDUP

AP

A bowled Curtley Ambrose, ending the West Indies inning.

West Indies Collapse

CRICKET Pakistan dismissed the West Indies for 139 runs Wednesday on the fifth and final day to win the second test in Rwalpindi by an innings and 29 runs. West Indies began the day on 99 for six wickets. It trails, 2-0, in the three-test series.

• In Bombay, Rahul Dravid hit 93 as India made 247 for three wickets on the opening day of the third and final test against Sri Lanka on Wednesday. *(Reuters)*

Red Card for Referee

SOCCER Sandor Puhl, who refereed the 1994 World Cup final, was dropped for the rest of the season Wednesday by UEFA, European soccer's governing body, because he "failed to inflict the appropriate sanction after Paul Bosvelt fouled Denis Irwin," a Manchester United defender in a Champions' League game in Rotterdam. *(Reuters)*

• The U.S. soccer federation on Tuesday extended coach Steve Sampson's contract through the 1998 World Cup. *(NYT)*

Revenge for Jayhawks

BASKETBALL Kansas withstood a late charge by Arizona to beat the NCAA champion Wildcats, 90-87, in the Great Eight Basketball Classic in Chicago.

The Jayhawks' victory avenged a loss to the Wildcats in the final of the Southeast Regional in last spring's NCAA tournament. *(AP)*

Devil Rays Sign Alvarez

BASEBALL Wilson Alvarez became the second big-name pitcher to sign with the Tampa Bay Devil Rays, agreeing Wednesday to a $35 million, five-year contract. Alvarez was 13-11 with a 3.48 ERA with the Chicago White Sox and San Francisco Giants last season.

• Steve Hamilton, a 6-foot-7 reliever who pitched in two World Series for the New York Yankees in the 1960s, died of cancer Tuesday night. He was 63. *(AP)*

Diplomatic Letters

OLYMPICS Organizers of the Winter Olympics have sidestepped a political problem by deciding to use English alphabetical order at the opening ceremonies. This will keep the Chinese and Taiwanese delegations apart in the ceremony.

• The first significant snow of the winter fell in Nagano on Wednesday; it was shown live on Japanese television. *(Reuters)*

Tennis's Boy Wonder: A Marketing Machine at 13

By Robin Finn
New York Times Service

BRADENTON, Florida — The name of the tennis-playing product is Todd Reid and, according to the ominous publicity package cooked up for him by an assortment of Australian advertising visionaries, his hair, future and credit card are the same convenient color: gold.

That is why Todd alone, out of some 173 youngsters pelting tennis balls at each other during a recent Florida tournament, wore an Adidas tennis shirt tattooed with Qantas and Kentucky Fried Chicken logos. It's in his contract, you see.

Most 13-year-old boy wonders whose best attribute is a slingshot forehand do not have agents, especially not agents who also claim to be their legal guardians. But no 13-year-old male tennis prospect has ever pocketed this much money or generated this much hype.

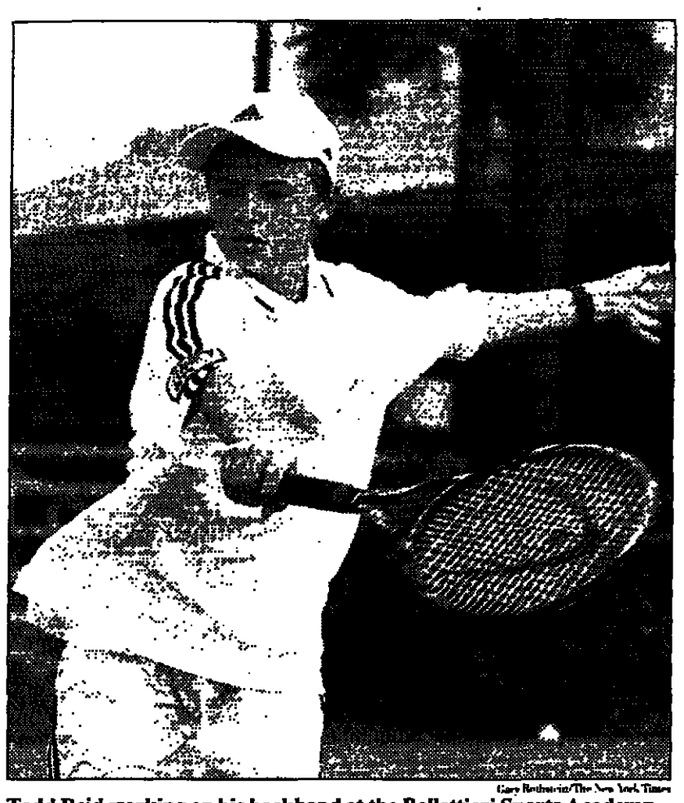
Jennifer Capriati had a $5 million endorsement portfolio at 14, but Capriati was already competing with top players on the main circuit. And she was bitter and disillusioned by the time she was 17.

"I don't really know how good I am, but it's nice to get all the free stuff, so I'll take it," said Todd, an inquisitive seventh-grader. "Having a manager who gets me sponsors is a bonus. I don't worry about what it all means when I'm on the court playing, but maybe at night when I go to sleep, I think about it."

Todd sleeps on a bunk bed in a sock-strewn room shared with two other tennis acolytes. Like them, has trouble making his bed, doing his laundry and protecting his homework from the occasional act of boarding school thievery.

Todd confines his misdemeanors to jumping out of the window after curfew and raiding the soda machine on behalf of himself and his roommates, one of whom is the son of the Bee Gees musician Barry Gibb, the other a nephew of International Management Group's chief, Mark McCormack.

"If I get caught, I'll tell them I was sleepwalking," said Todd, whose sleep since he came to Florida in September from his home in Coogee, New South Wales, has not always been very sound. "One night they found me in the middle of the cafeteria with my blanket, and I couldn't remember how I got there. But I'm getting more used to it here now. It's like you're a robot; you get up and play tennis. I guess it's important, though."



Gary Reshevsky/The New York Times

Todd Reid working on his backhand at the Bollettieri Sports Academy.

Todd holds zero national singles titles but already boasts five corporate sponsors and a three-year tennis scholarship to the Bollettieri Sports Academy. Strangest of all, because he left his parents behind when he jumped hemispheres to serve his junior apprenticeship, Todd has a hyperactive agent as his shadow.

Pete Colbert, a family friend, could not be more proud that, largely on the say-so of a cute photograph and one high-visibility workout on the practice courts at the Australian Open, he negotiated not only the scholarship in America but also a sponsorship bankroll worth $350,000 for Todd. No sooner had he secured the scholarship, valued at $100,000, than Colbert persuaded Qantas to provide Todd and his entourage with wings to make the trip to Florida.

"I think that a Todd Reid comes along about once every 15 years," said Colbert, who sold his home in Australia and moved with his wife to Bradenton, Florida, to monitor Todd's development. "It's not that he has to be a marketing product before his time, but the way I look at it, you can either control the phenomenon or else you let everyone else have his pickings at it all along the way. I think this is healthy for Todd. His family wants him here and I know this kid is going to change tennis."

Andre Agassi was turning heads at Bollettieri's at 13, but he has never quite forgiven his father for shipping him there. And even Nick Bollettieri, the academy's guru, has said that the urgent business agenda and the push for extra coaching that Colbert advocates for Todd "is the most unusual case for a boy I've seen in all my 45 years in coaching, and that includes Agassi."

Bollettieri said: "He's got the scholarship, which he deserves, because he looks like if he's given time and space, he's going to be good. But he's only 13; we're not treating him like a superstar, and I'm not looking at him to make Nick Bollettieri a million bucks. I'd call it an area of grave concern that so much hype is being put on something almost unknown. I think you'd have to be a freak of nature to come through and live up to all this billing. And who knows, maybe he is and maybe he will. But the reason we're not giving him more coaching is because he doesn't need five, six, seven hours. It's too early."

Colbert insists Todd's case is special and every precaution has been taken to maintain integrity and maximize potential. "You can't compare Todd's parents to the Capriatis or anybody; and his sponsors have not demanded one thing from him," he said.

James Loehr, a prominent sports psychologist who failed to discern, on the basis of Todd's runner-up status in Australia's national under-12s competition last year, any justification for his emergence this year as a much-marketed import to the Bollettieri academy, said: "This has all the earmarks of becoming a catastrophe; it's way too early to decide if a 13-year-old boy is a phenom or a superstar. And from the outside, it sounds like the parents are leaving their son to the wolves.

"It would be one thing if he'd been runner-up in the 18s at 12, but right now, at this age, the primary concern should be making sure he's mentally, physically and emotionally healthy. He shouldn't be a source of income."

BUT HE is just that, and not only to himself. Bob and Sandra Reid, who enjoyed modest success on the squash and tennis circuits, respectively, back in their own salad days, enlisted Colbert, who previously managed professional surfers, to shepherd the most promising of their three tennis-playing children into the big time. Colbert's acquisition of Qantas, KFC, Head, and Adidas as sponsors enabled the family to send Todd to Bollettieri's equipped not only with equipment, but also with a chaperone and manager.

Bob Reid accompanied his son to Bollettieri's and spent a week helping him adjust to the move. "What I saw there at the academy was like heaven for Todd," Bob Reid said, "and I wouldn't have left him there if I didn't think he wanted to be there. Whatever happens, he can look back and know he was given the best chance to succeed."

Bob Reid said he had no quarrel with Colbert's continuing mission to procure more funds for his son. "I think there's a difference between exploiting someone and trying to build them a comfortable future," Bob Reid said. "As a family, I don't think we've put a foot wrong; we're not just dreamers of fame and wealth."

Colbert said that, ultimately, junior titles do not mean anything. "We're looking at No. 1 in the world," he said.

An Awkward Family Reunion in Marseilles

International Herald Tribune

World Soccer / PETER BERLIN

PARIS — Soccer's dysfunctional family has gathered in the south of France to kick off the World Cup year a little early with the draw for next summer's first-round groups. Four years ago, this extravaganza was in Las Vegas, this time it's in Marseilles. Does FIFA, the governing body of world soccer, have a special affinity for cities with a reputation as mob towns?

The draw has indeed become like an overblown Vegas magic act: a simple trick surrounded by hours of hoopla.

First, there will be an all-star soccer match between Europe and The Rest of the World. Then, Sepp Blatter, FIFA's general secretary, will conduct the draw helped by an array of soccer personalities, international pop stars and the traditional beautiful assistants. All this so that 32 teams can be arranged in four groups of eight.

During the exhibition match, much of the attention will be not on the field but on the actions of soccer's capo, Joao Havelange, the president of FIFA. Will the Godfather embrace Pele?

Havelange refused to allow soccer's greatest player to take part in the draw in Las Vegas because Pele had accused Ricardo Teixeira, the president of the Brazilian federation and Havelange's son-in-law, of corruption. Now Pele, who is Brazil's minister of sport, is trying to sort out the chaotic state of that country's soccer leagues. Havelange, who resents government's interfering in his sport, objects.

Pele is in Europe wearing both his official hats. On Wednesday, as Sports Minister, he accompanied President Fernando Henrique Cardoso of Brazil to Buckingham Palace on a state visit, and was knighted by the Queen. On Tuesday, as a spokesman for Mastercard, he was meeting journalists in a luxury hotel in Paris.

Pele said he planned to watch Thursday's match and then leave before the draw. But if Havelange embraces him, might he not stay?

"I would prefer not to stay four hours for the draw," he answered diplomatically.

Mastercard is a title sponsor of the World Cup, which it calls the "largest sporting event in the world." (Visa, needless to say, sponsors the Olympics). The company had lined up a string of interviews with financial publications to give Pele the chance talk about the value of the relationship. Perhaps this was as much to convince Mastercard.

The benefits of sponsorship are notoriously difficult to quantify. However, if Mastercard's marketing muscle combined with the considerable charm of the most famous athlete in the world (only Muhammad Ali, not Michael Jordan, comes close) does not produce positive results, then the whole sports sponsorship industry might as well pack up and go home.

Clearly, the key question for Pele on the eve of the draw is not "which is the best credit card in the world?" but "which is the best soccer team in the World Cup?"

"This is not an easy World Cup," he said. "There are many good teams: England, Germany and France, playing at home. I saw Yugoslavia recently. It played very well, but in eight months it could have injuries and the team could change. Spain is a very competitive team. South Africa is a good team too, very tough."

He is also impressed by the potential of Argentina's young team, but he seems to be forgetting one team. What about Brazil, the defender?

"Brazil has big problems in defense," he sighed. "We played three or four games last month against not-very-strong teams and let in a lot of goals. The team is not very good yet."

Pele has an advantage over the average fan. He can call up the coach, Mario Zagallo, who is struggling to balance the demand of Nike, the Brazil team's sponsor, for lots of exhibition games, with those of the players' primary employers, the clubs, who want to keep their stars for their matches.

"I spoke with Zagallo," said Pele. "He says: 'Pele, because of the contracts with Nike and the national federations, I have to change the team for every game.' It's time to settle on one team."

Yet, in another sense, Pele is optimistic. Brazil will attack more than in the United States in 1994.

"Zagallo is a much more offensive coach than Carlos Parreira," who guided the Brazilian team last time," Pele said.

Has the game become tougher for creative players like him?

"Now the talented players have more protection with the yellow card and red cards," said Pele. "But the philosophy has changed: not to lose rather than to win. Coaches use more defensive systems and that makes the game more physical. Players don't have the time to think."

Who does he see as the stars of the World Cup?

He mentions Raul, the young Real Madrid striker, then, after a pause, adds Ronaldo, Brazil's young striker, if he can stay fit. Then, after another pause, he tries to think of an Englishman to please the interviewer. He comes up with Steve MacManaman and that's it. But then would-be World Cup stars have to measure up to the very high standard set by Pele himself.

Havelange's fingers still clasp soccer power, but Pele holds the hearts of the game's fans.

Xavier Jeanne-Presse

Joao Havelange, left, and Sepp Blatter.

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SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	10	5	.667	—
Orlando	11	6	.647	—
New Jersey	10	6	.625	½
New York	10	6	.625	½
Boston	7	9	.438	3½
Washington	6	11	.353	5
Philadelphia	4	9	.308	5

CENTRAL DIVISION

Atlanta	15	2	.882	—
Charlotte	10	5	.667	4
Cleveland	9	6	.600	5
Indiana	8	6	.571	5½
Chicago	9	7	.563	5½
Milwaukee	9	7	.563	5½
Detroit	6	11	.353	9
Toronto	1	15	.063	13½

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	9	5	.643	—
Utah	10	6	.625	—
San Antonio	10	7	.588	½
Minnesota	7	8	.467	2½
Vancouver	7	11	.389	4
Dallas	4	12	.250	6
Denver	1	13	.071	8

PACIFIC DIVISION

L.A. Lakers	13	2	.867	—
Phoenix	10	3	.769	2
Seattle	13	4	.765	1
Portland	10	6	.625	3½
Sacramento	5	12	.294	9
L.A. Clippers	2	14	.125	11½
Golden State	1	13	.071	11½

TUESDAY'S RESULTS

Sacramento	28	22	18	34	—102
Charlotte	21	29	34	35	—121

S:Richmond 8-16 8-10 25, Funderburke 7-10 3-4 17; C: Rice 12-18 3-3 30, Curry 8-10 1-1 18. Rebounds—Sacramento 44 (Owens 11), Charlotte 43 (Divac 8). Assists—Sacramento 29 (Richmond 9), Charlotte 41 (Wesley 9).

Seattle	25	29	18	15	— 78
Washington	29	22	23	21	— 95

S:Baker 10-13 2-5 22, Schrempf 7-13 3-3 17; W:Howard 8-17 2-4 18, Murray 6-13 2-2 18. Rebounds—Seattle 44 (Schrempf, Perkins, Hawkins 6), Washington 51 (Webber, Howard, Davis 10). Assists—Seattle 22 (Schrempf 10), Washington 23 (Strickland 9).

Phoenix	17	29	24	20	— 90
Milwaukee	29	24	13	20	— 86

P:McCloud 6-12 3-4 16, Kidd 4-15 6-6 14; M: Brandon 9-21 4-5 23, G.Robinson 8-19 0-0 17. Rebounds—Phoenix 53 (McDyess 10), Milwaukee 37 (Hill 10). Assists—Phoenix 14 (Kidd 6), Milwaukee 28 (G.Robinson 6).

Atlanta	31	34	17	30	—112
Dallas	24	23	17	13	— 79

A:Smith 13-20 1-1 28, Laettner 6-9 3-3 15; D:Finley 7-16 4-5 18, Scott 5-17 4-4 15. Rebounds—Atlanta 68 (Blaylock 10), Dallas 50 (Walker 15). Assists—Atlanta 24 (Corbin 5), Dallas 16 (Finley 6).

Denver	31	17	25	28	—101
Houston	33	34	19	26	—112

D: Newman 12-19 7-7 32, Fortson 9-13 4-5 22; H:Drexler 8-13 6-7 22, Bullard 7-14 0-0 20. Rebounds—Denver 57 (Garrett, Fortson 11), Houston 36 (Barkley 11). Assists—Denver 31 (Ellis, Jackson 7), Houston 25 (Barkley 12).

New York	21	25	23	15	— 84
San Antonio	25	18	20	27	— 90

N.Y.:Ewing 11-24 3-6 25, Houston 8-16 6-6 22; S.A.:Duncan 9-15 5-8 23, Robinson 6-18 11-20 23. Rebounds—New York 53 (Ewing 15), San Antonio 62 (Robinson 14). Assists—New York 18 (Starks 14), San Antonio 22 (A.Johnson 11).

Orlando	21	24	22	22	— 89
Portland	17	25	25	21	— 88

O:Hardaway 13-27 3-8 29, Selkaly 4-15 6-6 14; P: Rider 12-20 4-6 33, Williams 6-11 2-4 14. Rebounds—Orlando 49 (Selkaly 10), Portland 45 (Sabonis 10). Assists—Orlando 20 (Armstrong 6), Portland 20 (Williams 9).

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Philadelphia	15	8	5	35	80	63
New Jersey	17	9	0	34	74	49
Washington	14	10	4	32	83	73
N.Y. Islanders	11	12	4	26	72	74
N.Y. Rangers	8	12	9	25	73	79
Florida	8	14	5	21	63	80
Tampa Bay	4	17	4	12	50	86

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Pittsburgh	15	9	5	35	83	71
Montreal	15	10	3	33	85	68
Boston	11	12	5	27	67	78
Carolina	11	13	4	26	75	77
Ottawa	11	13	4	26	72	70
Buffalo	7	12	6	20	64	74

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	18	7	4	40	95	65
Detroit	17	6	5	39	93	63
St. Louis	16	9	3	35	81	62
Phoenix	13	11	2	28	76	73
Chicago	10	13	4	24	59	69
Toronto	8	13	4	20	50	70

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	14	6	8	36	84	70
Los Angeles	12	9	5	29	85	71
Anaheim	11	12	6	28	68	79
Vancouver	9	14	4	22	77	90
Edmonton	8	14	6	22	66	86
San Jose	9	18	2	20	73	91
Calgary	6	15	7	19	70	87

TUESDAY'S RESULTS

Ottawa	1	2	1	—4
N.Y. Islanders	0	2	0	—2

First Period: O-Kravchuk 5, Second Period: O-Yashin 11 (McEachern) 3, New York, Charbke 4 (Smolinski) (sh). 4, O-Alfredsson 9 (Daigle, Van Allen) (pp). 5, New York, Bertuzzi 3 (Smolinski) Third Period: O-Gardiner 2 (Cumneyworth, Redden) (en). Shots on goal: O- 11-6-9—26. New York 2-11-2—16. Goalies: O-Rhodes. New York, Richaud, Salo.

Washington	1	1	0	1—3
N.Y. Rangers	0	2	0	0—2

First Period: W-Simon 6 (Oates, Housley) (pp). Second Period: New York, Kovalev 7 (Keane, Stevens) (pp). 3, W-Johansson 9 (Housley, Oates) (pp). 4, New York, Gretzky 9 (Stevens, Sundstrom) Third Period: None. Overtime: 5, W-Janeau 3 (Konowalchuk) Shots on goal: W- 10-9-5-4—28. New York 6-8-11-0—25. Goalies: W-Kolzig. New York, Richter.

St. Louis	0	1	2	—3
New Jersey	0	1	0	—1

First Period: None. Second Period: S.L.-Pranger 3 (Pellerin, Conroy) 2, N.J.-Elias 9 (Holik, Niedermayer) Third Period: S.L.-Aitchenyum 4 (Conroy, Pranger) 4, S.L.-Hull 14 (MacInnis, Conroy) Shots on goal: S.L.-10-6-11—27. N.J.- 5-9-14—28. Goalies: S.L.-Fuhr. N.J.-Brodeur.

Anaheim	0	1	2	0—3
Toronto	0	2	1	0—3

First Period: None. Second Period: T-Sullivan 3 (D.King, Berezin) 2, T-Korolev 9 (Sundin) (sh). 3, A-Sandstrom 5 (Mironov, Dalgneault) Third Period: T-Smith 2 (Sundin) 5, A- Sacco 3 (Mironov Dalgneault) 6, A-Saleh 4 (Cullen) Overtime: None. Shots on goal: A- 13-11-12-1—37. T- 9-6-11-1—27. Goalies: A-Hebert. T-Healy. Pelvin.

Edmonton	1	0	1	—2
Colorado	0	2	2	—4

First Period: E-Smyth 10 (Weight, Arnott) Second Period: C-Forsberg 8 (Krupp, Kurri) (sh). 3, C-Sakic 15 (Kamensky, Ozolinsh) (pp). Third Period: E-Kovalenko 2 (Smyth, Weight) (pp). 5, C-Forsberg 9 (Lemieux, Kamensky) 6, C-Lemieux 10 (Gusarov, Klemm) Shots on goal: E- 7-6-7—20. C- 10-16-16—42. Goalies: E-Joseph. C-Roy.

CRICKET

INDIA VS. SRI LANKA
THIRD TEST, 1ST DAY
WEDNESDAY IN BOMBAY, INDIA
India 247-3

PAKISTAN VS. WEST INDIES
SECOND TEST, 5TH DAY
WEDNESDAY IN RAWALPINDI, PAKISTAN
West Indies, 303 and 139

RUGBY UNION

NEW ZEALAND TOUR
TUESDAY IN LEICESTER, ENGLAND
New Zealand 30, England 19

SOCCER

SPANISH CUP
THIRD ROUND, FIRST LEG
Las Palmas 3, Mallorca 2

TRANSITIONS

BASEBALL
AMERICAN LEAGUE
SEATTLE—Agreed terms with INF Aaron Holbert on 1-year contract.
NATIONAL LEAGUE
COLORADO—Agreed terms with 3B Vinny Castilla on 4-year contract.

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
CLEVELAND—Waived G Greg Graham.
GOLDEN STATE—Suspended G Latrell Sprewell for at least 10 games for attack on coach P.J. Carlesimo during practice on Dec.1.

FOOTBALL
NATIONAL FOOTBALL LEAGUE
ATLANTA—Signed TE Brian Santos. Put TE Ed West on injured reserve. Signed PK Scott Bentley to practice squad.
CINCINNATI—Signed K Mark Gagliano to the practice squad. Put LB Tom Tumulty and DL Ramondo Stallings on injured reserve. Activated S Tremain Mack from non-football illness reserve list. Signed RB Ty Douthard from practice squad.
MIAMI—Signed RB Lawrence Phillips. Put S Bracey Walker on injured reserve.
NEW ORLEANS—Claimed WR Alvin Harper off waivers from Washington Redskins. Released TE Tony Johnson.
N.Y. GIANTS—Signed DE Antonio Edwards. Put C Brian Williams on injured reserve.
N.Y. JETS—Signed T Deran Thorpe off N.Y. Giants practice squad. Put T Jumbo Elliott on injured reserve.
PHILADELPHIA—Signed KR Mel Gray to 1-year contract, and DE-LB Al Wallace to 2-year contract. Waived OL Harry Boatswain and LB DeShawn Foyle.
SAN DIEGO—Signed TE Bryan Jennings. Put S Greg Jackson on injured reserve.
SAN FRANCISCO—Announced resignation of Edward DeBartolo Jr., chairman and chief executive officer.
WASHINGTON—Released WR Alvin Harper.

HOCKEY
NATIONAL HOCKEY LEAGUE
NHL—Suspended Florida F Kirk Muller for one additional game and fined him $1,000 for a high-sticking incident on Nov. 30 against N.Y.Rangers.

COLLEGE
COAST GUARD—Announced resignation of Chuck Mills, football coach, who will retain his duties as athletic director.
UCLA—Announced mens junior basketball C Jelani McCoy has been partially reinstated to team.

هكذا من الأصل

Panel Blames Ferry Design And Crew for '94 Disaster

SPORTS

49ers' Chairman Out As Indictment Looms

Compiled by Our Staff From Dispatches

Edward DeBartolo Jr. resigned as chairman of the San Francisco 49ers football team after it was disclosed that a federal grand jury in Louisiana may be close to indicting him and the state's former governor, Edwin Edwards, after a long investigation of riverboat casino licensing and other business arrangements.

Two Louisiana newspapers reported Tuesday that DeBartolo, Edwards, the former governor's son, Stephen, and at least three other men had received letters from the U.S. attorney's office in New Orleans telling them that they are targets of the investigation.

The letters invited the men to appear before the grand jury if they wished to offer evidence that might clear them. Typically, such letters are sent shortly before an indictment is sought.

DeBartolo was a partner with a casino company that won the state's 15th and final gaming license last March. Edwards is a longtime friend of the DeBartolo family, which has significant holdings in Louisiana. And both Edwardses have performed either legal or consulting work for a variety of casino companies in Louisiana since the former governor left office.

DeBartolo withdrew from the casino project after the Louisiana State Gaming Control Board demanded that he turn over all documents that he previously provided to the grand jury.

When he pulled out in June, DeBartolo cited National Football League concerns about gambling.

DeBartolo's sister, Denise DeBartolo York, will assume control of the Edward DeBartolo Corp., which owns about 85 percent of the 49ers, and the team president, Carmen Policy, is expected to receive an estimated 5 percent ownership interest for continuing to run the team's day-to-day activities.

"This won't affect the team's on-field performance at all," said Bill Walsh, the former 49er coach.

DeBartolo's role in recent years with the 49ers has been confined to hoisting the Lombardi Trophy over his head after Super Bowl victories. Policy has represented DeBartolo at the NFL's annual meetings, and Policy's influence in the league has surpassed that of most owners.

DeBartolo's impact on the 49ers has sprung from his willingness to spend the money to acquire and keep some of the game's top performers. The team has won five Super Bowls, posted winning records for 15 successive seasons and has claimed 13 National Football Conference West Division titles, including this year's.

Paul Tagliabue, the NFL commissioner, said that he had informed the 49ers of his approval of the steps taken Tuesday. He expressed his "complete confidence" in the team's management. *(NYT, LAT)*

■ Rice Is Due Back Early

Jerry Rice, the star 49er wide receiver who has been out since he tore knee ligaments in the season opener, was due to return to practice Wednesday and hopes to play Dec. 15 against the Denver Broncos, The Washington Post reported.

But the 49er coach, Steve Mariucci, said that Rice had not been cleared to play and that it would be a "minor miracle" if he suited up that Monday night. It is the night the team will retire Joe Montana's number in a halftime ceremony, and Rice has said that he hopes to be in uniform to honor his longtime quarterback.

Rice, usually considered one of the hardest-working men in the game, has approached his rehabilitation the same way. He has also lost about 12 pounds (5.5 kilograms), dropping to 185.

Joyce Naltchayan/Agence France-Presse

The opening night of the new MCI Center, with the host Washington Wizards playing the Seattle SuperSonics.

Sonics Are MCI Center's First Victims

By Ric Bucher
Washington Post Service

WASHINGTON — The Washington Wizards christened their new home with their best victory of the season, a 95-78 triumph over the Seattle SuperSonics in front of an appreciative sellout crowd. Neither team had set foot inside MCI Center before Tuesday, but the Wizards wasted no time in making it theirs.

The Wizards, who were 0-5 this season at US Airways Arena, improved to 6-11, the victory enhanced by the fact that the Sonics are far and away the best of the six teams they have defeated.

All five starters contributed double-figure scoring, and the sixth man, Tracy Murray, matched Juwan Howard for top honors with 18 points. The front line of Howard, Chris Webber and Terry Davis had 10 rebounds apiece, helping give the Wizards a 46-35 advantage.

The Sonics came into the game with a seven-game winning streak but never threatened in the second half, despite 22 points on 10-of-13 shooting by center Vin Baker. They were done in by 21 turnovers, most of them forced by the Wizards' trapping defense.

Whether it was the larger capacity but more intimate confines of the new arena or a more responsive crowd, the energy from the stands was better than anything the Wizards experienced in their five games this season at US Airways Arena. When the Wizards opened their first double-digit lead with a 12-2 burst at the start of the second quarter and the Sonics called a timeout, several sections of the crowd gave the Wizards a standing ovation as they went to the bench.

"It was a positive atmosphere and that's what we need," Murray said. "It just felt like there was a lot of energy."

In other games, The Associated Press reported:

Spurs 90, Knicks 84 In San Antonio, New York blew a fourth-quarter lead for the sixth time this season.

"I hate to use the word panic on a veteran team like this one, but we kind of panicked tonight," Chris Childs said after the Knicks shot 6-for-26 in the fourth quarter and were outscored 27-15. David Robinson and Tim Duncan scored 23 points apiece, and Vinny Del Negro added a season-high 16 points for the Spurs, who won despite shooting 25-of-45 at the free-throw line.

Hawks 112, Mavericks 79 In Dallas, the Hawks had their largest margin of victory, set a season-high for points and enjoyed a rare blowout as Steve Smith scored a season-high 28 points in Atlanta's fourth straight victory.

Dikembe Mutombo, Christian Laettner and Ed Gray all added 15 points as the Hawks improved their league-best record to 15-2.

Rockets 112, Nuggets 101 In Houston, the Rockers led by as many as 28 points before Denver began a run midway through the third quarter, eventually closing to 100-95 with less than five minutes to go on a dunk by Johnny Newman.

The Rockets responded with a 10-1 run to pull away, keyed by Matt Bullard's 3-pointer with 2:30 to go.

Magic 89, Trail Blazers 88 Penny Hardaway scored 29 points, and Orlando won in Portland despite blowing a 10-point lead late in the fourth quarter.

Rony Seikaly added 14 points and 11 rebounds, and Charles Outlaw had 11 points and a key steal of an inbounds pass with two seconds left.

Suns 90, Bucks 86 In Milwaukee, Phoenix forward George McCloud scored a season-high 16 points in his first start of the season, including a 3-pointer to tie the game at 86-86 with 57 seconds left. Rex Chapman then made two free shots to give the Suns the victory.

Hornets 95, Kings 78 In Sacramento, Glen Rice scored 14 of his 30 points in the third quarter and Charlotte had a franchise-record 41 assists.

NBA Roundup

Wizards Get a New Stadium, And This One Is in Washington

By William C. Rhoden
New York Times Service

WASHINGTON — This was Washington at its best. Abe Pollin, owner of the Washington Wizards, in his finest moment, standing before a city more passionate and excited about basketball than it has been in years.

If there ever was an energizing night, a time to rally, this was it. With President Bill Clinton and Mayor Marion Barry on hand, as well as NBA commissioner David Stern and just plain fans, Pollin opened the $200 million MCI Center on Tuesday night.

Pollin, a day shy of his 74th birthday, shouted: "Wow! Wow! Wow!" to the sell-out crowd of 20,674.

"This is a day I will never, ever forget," he said.

This would be a way to bring heart and soul to a transient city in desperate need of some common thread. The old Capital Center, turned into US Airways Arena, was too far away, in Landover, Maryland. Too far to go to see a great team, much less a team struggling to pull itself out of the doldrums.

This remarkable edifice on F Street, with its restaurants and shops, could be a great symbol of cohesion. So they came Tuesday night — president, commissioner, owner, fans — to celebrate a new building in a city of buildings.

While the money people celebrated, the coach and players sweat just a little. Bernie Bickerstaff was on the bench in 1973 when the Bullets opened the Capital Center. Five years later, Washington won an NBA championship, with Wes Unseld at center, and Bickerstaff an assistant to Dick Motta.

"How many times can you go into an arena, open a new arena, close it, and then open a new arena," said Bickerstaff, now head coach. "Now, because times have changed with media and all this kind of intensity, it's much larger. I've got all kinds of butterflies right now. But it's because of the media and the hype."

NHL Plans 6-Division Format for Next Season

Reuters

PALM BEACH, Florida — The Toronto Maple Leafs will return to the NHL's Eastern Conference and play more games against their traditional and geographic rivals under an NHL realignment.

The National Hockey League Board of Governors on Tuesday approved a plan for the 1998-99 season to expand the league into six divisions.

The Maple Leafs have been in the Western Conference since the 1981-82 season. They will move to the Eastern Conference's Northeast Division, joining the Montreal Canadiens, Boston Bruins, Buffalo Sabres and Ottawa Senators.

The Leafs, Canadiens and Bruins are three of the NHL's six original teams. The others are the New York Rangers, Chicago Blackhawks and Detroit Red Wings.

With the realignment, both conferences will have three divisions instead of the current two-division format. The Atlantic, Northeast and Southeast divisions will make up the Eastern Conference, while the Western Conference will have the Central, Northwest and Pacific divisions.

Under the new structure, the Columbus Blue Jackets will join the Central Division upon entering the league in 2000-2001. The expansion Nashville Predators had already been placed in the Central next year with Detroit, Chicago and the St. Louis Blues.

Avalanche Jinx Plagues Oilers

The Associated Press

Peter Forsberg scored two goals as the Colorado Avalanche stretched its regular-season unbeaten streak against the Edmonton Oilers to 11 games.

"Even when we have a really good effort, we get the short end of the stick," said Doug Weight, the Oilers' center, after the Avalanche won, 4-2, on Tuesday night. "They pull it out in the end. It's disappointing."

Forsberg extended his point streak to seven games in a penalty-filled contest in Denver. He broke a 2-2 tie with a shot from the top of the right circle with 4:19 left in the third period. Claude Lemieux added an insurance goal with 1:46 remaining.

Senators 4, Islanders 2 Ottawa held the Islanders to 16 shots in a victory that extended the Senators' unbeaten streak against New York to seven games.

Capitals 3, Rangers 2 At Madison Square Garden in New York, Joe Juneau scored the game-winner for Washington with 1:15 left in overtime.

Blues 3, Devils 1 Craig Conroy set up all of St. Louis's goals as the Blues snapped a season-high five-game winless streak with a victory in New Jersey.

Leafs 3, Mighty Ducks 3 In Toronto, Ruslan Salei's goal with 4:06 remaining gave Anaheim a tie with the Maple Leafs, who blew a two-goal lead for the second time in three games.

NHL Roundup

Designated Hitters Hit The Jackpot in Salary

By Murray Chass
New York Times Service

The owners of major league baseball teams have proposed dumping the designated hitter; the players have said forget about that plan. The best reason for each side's argument has just emerged: The average salary for designated hitters in 1997, as determined by the players association, was $3,583,788, highest for any position in the American League.

The union's annual salary report, presented to its executive board in Hawaii on Tuesday, showed that the only higher position average in the major leagues is the $3,717,579 for first basemen.

The DH average, computed for seven players who served as designated hitter in 80 or more games, is the highest ever for that position, $125,000 and change beyond the previous high of $3,458,573 in 1995.

The owners proposed three months ago that the designated hitter, a position that was established in 1973, be phased out and that the clubs add a 26th player to their rosters in its place. But the union sees the proposal as a payroll-cutting move. The 26th player would most likely be a player being paid the minimum salary.

The seven players who were the designated hitter in 80 or more games were *mainly high-priced veterans, led by* Cecil Fielder and his $9,237,500 income.

Relief pitchers, as a group, continued to be the lowest paid, averaging $717,901, but that salary was up from $537,646 the year before. Only shortstops had a reduction in average salary and that was slight, to $1,735,298 from $1,745,613.

The average for second basemen, on the other hand, enjoyed a 45 percent increase, to $2,380,949 from $1,647,443.

The average salary for the 826 players who were on major league rosters or disabled lists on Aug. 31 was a record $1,336,609, a 19.3 percent increase over the 1996 average of $1,119,981.

The percentage increase is the largest since the average rose 20.8 percent in 1992, which was the first time the average had reached seven figures.

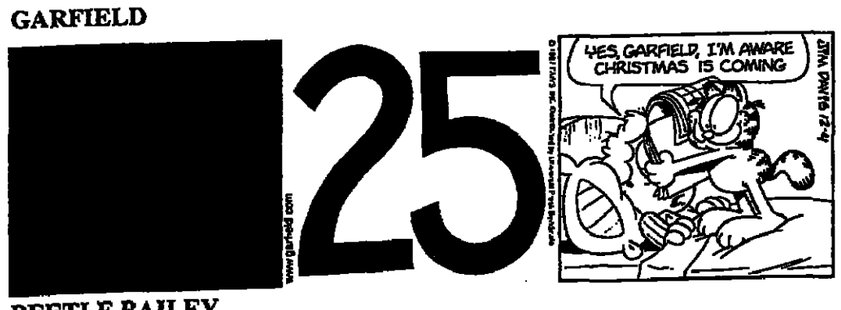
DENNIS THE MENACE

"MR. WILSON ISN'T SLEEPING. HE'S JUST TAKING A PRACTICE NAP."

PEANUTS

CALVIN AND HOBBES

GARFIELD



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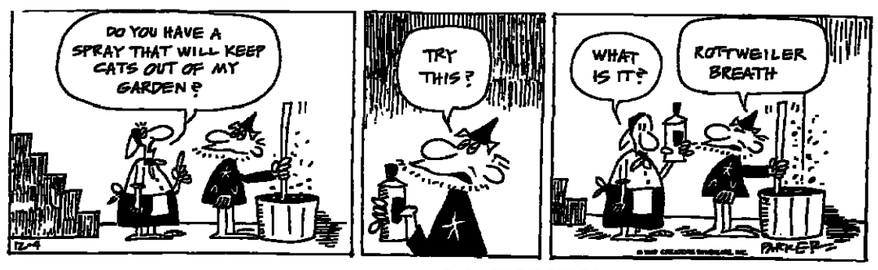

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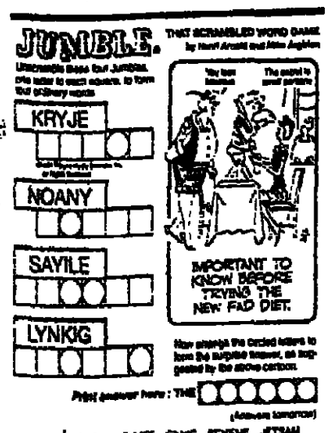

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ART BUCHWALD

Scouting for Yule Help

WASHINGTON — For the first time that anyone can remember, there's a shortage of temporary help to work during the holiday season. The stores are so desperate that they are sending out scouts to recruit salespeople.

Buchwald

Peter Loge, the senior headhunter for Macy's, heard about a 17-year-old prospect in Culpeper, Virginia. His name was Jason Marks, and he was wavering between the toiletries counter at Macy's and the snow shovel section at Wal-Mart.

When Loge arrived at the Marks home, father, mother and Jason were sitting in the living room.

Loge said, "You'll all love Macy's. Jason won't even have to work in the stock room as a start. We'll put him right on the floor in a wonderful environment."

Mr. Marks said, "Can we talk about what the job pays?"

"Twenty-five dollars an hour."

Mrs. Marks scoffed. "That's chicken feed. Sears offered him $40 an hour and 2,000 shares of stock options. Jason is a computer whiz, and he can write up a credit card purchase in two minutes flat. Do you honestly think that we'd let him go for a measly $25 an hour?"

□

Jason said, "I even know how to process returns and ship packages for next-day delivery by UPS."

"That's why I'm here. Our scouting reports indicate that you can also handle cash transactions, but I don't think that I can go any higher than $55."

Mrs. Marks asked, "How about giving Jason a new car?"

Loge said, "If the Department Store Conference found out we had done that, we could forfeit all our sales before Christmas."

Mrs. Marks wasn't about to give up. "If you want our boy, give the family a trip to Florida."

"Our hands are tied. We can't do anything more than buy you a new house in Alexandria."

Jason said, "Kmart has offered me $60, and I don't have to work on weekends."

□

Loge suggested, "Why not come over to the store and meet the other sales help? You'll fall in love with them. Also, the customers are people who will help you get a job when you finish college. Jason, I'm not going to beg, but we need you if we're going to top our Christmas sales of last year."

Mr. Marks said, "Jason's the best sales prospect in the state. He should get at least as much as Michael Jordan who, as everyone knows, can't even gift wrap."

Cezanne to Replace Delacroix on Bill

Reuters

PARIS — France announced on Wednesday that Paul Cezanne would replace fellow painter Eugene Delacroix on its 100-franc ($17) banknote, the country's most popular. The banknote, to be issued starting Dec. 15, bears a portrait of the 19th-century Impressionist painter and a copy of his painting "The Card Players."

Going Home: American Filmmaker in Vietnam

By Craig R. Whitney
New York Times Service

HO CHI MINH CITY, Vietnam — Making the first American movie ever filmed entirely in Vietnam hasn't been a bed of lotus blossoms, say its producers and its young director, Tony Bui, 25.

All of them hope Bui's "Three Seasons" will create as much excitement when it is released in te spring as "The Quiet American" did nearly 40 years ago.

The Vietnamese-American auteu, was 2 years old when his parents, with high-level connections to the defeated government of South Vietnam, fled with the family to the United States. He says he hated every minute of his first visit here five years ago.

But his heart kept pulling him back to the city that used to be known as Saigon, and now he's here shooting his first full-length movie despite obstacles as disparate as a typhoon, government censors and the constant roar of the motorbikes that are taking over the city two decades after the Communists did.

The film's major supporters include Harvey Keitel, who plays an American veteran in search of the child, now a young woman, he fathered here. But this is not another war movie about American hang-ups on Vietnam.

"From my first visit here in 1992, I knew that what I had to do was to tell the stories about this place that are the least told: the stories of the Vietnamese, from a Vietnamese point of view, and in Vietnamese," Bui said after shooting a pedicab race scene in the hot sun just after the dry season started.

"Three Seasons" aims to be a sentimental and sensitive exploration of the profound social and cultural changes that have swept the country of his birth since the Communists reunified it by force in 1975.

All the actors but Keitel are Vietnamese or Vietnamese-Americans, and shooting is being done with a Vietnamese company, state-owned Hang Phim Giai Phong, or Liberation Film Studios. And government censors are keeping a watchful eye on both script and shooting.

"It's a film with only one known star, but I hope people in France, Germany or Idaho will all recognize the struggles, the hopes and the dreams of the people in this poor Third World country as very similar to their own," said Bui, who grew up in Sunnyvale and San Jose in California and studied filmmaking at Loyola Marymount University in Los Angeles, graduating in 1995.

The producers are only 34: Jason Kliot, a New Yorker who graduated from the Dalton School and Amherst College, and Joana Vicente, his wife and partner in Open City Films Inc. of New York City. They all came here to start making the film in September and expect to finish it at the end of December for only $1.5 million, a 10th of what they estimate it would cost to do the shooting in the United States. The film is scheduled for release by October Films, which introduced "Breaking the Waves" and "Secrets and Lies" in the United States and was acquired by Universal Studios last year.

Bui, an athletic-looking young man with long black hair pulled back in a ponytail, chuckled at the idea of a major studio backing a micro-budget film that will be released in the United States with subtitles, but insisted that the Vietnamese sound track was part of the point of view he wanted.

So is this city, a place where giant high-rise hotels, residences for rich expatriates and retail shops with expensive Western goods rise starkly out of seething slums, in a country still run by Communists despite its capitalistic economic policy.

Peter Stone/October Films

Tony Bui directing his film "Three Seasons" in Ho Chi Minh City.

Keitel, who speaks in English, completed a week of shooting here in mid-November.

The three seasons of the title are the interwoven stories of a pedicab driver and a passenger he eventually rescues from prostitution; Keitel and a street urchin he meets before he finally finds his daughter, and an elderly Vietnamese housekeeper who loses her job in the city and goes to the countryside to help a Buddhist monk who is dying of leprosy.

The script, written by Bui and his brother, Timothy Linh Bui, is both sweetly Vietnamese and appealingly American. "Tony believes very strongly in people helping each other in difficult situations," Kliot, the producer, said.

The crew of 25 Americans and 60 Vietnamese got plenty of practice doing that as soon as shooting began, when Typhoon Linda made a mucky mess of one of one of their outdoor locations, near a bridge over the Saigon River.

The street urchin in the story was plucked from the ranks of the real "dust of life" orphans who still swirl around the knees of foreign tourists and try to sell trinkets, newspapers and cigarettes to eke out a living. The boy, who wears a Woody Woodpecker T-shirt, is called Woody in the script.

Most of the pedicab drivers in the film are not actors but wiry men who really do peddle cyclos, but not Hai, the Vietnamese hero of the film. He is played by Don Duong, an actor with a deep, resonant voice who is well known in Vietnam and is Bui's uncle.

Through an interpreter on location, Duong said, "I love this film because it talks about hard-working people who are struggling to make a better life for themselves, and I'm happy to be playing in it."

Most of Keitel's scenes are in the rainy season with the urchin, and in a spontaneous gesture after he finished shooting here, he made a $25,000 donation to the Ho Chi Minh City Child Welfare Foundation.

The Americans say that the two ever-present Vietnamese government censors on the set, who are both with a mysterious state organization known to the producers only as A-25, are often suspicious about hidden deeper meanings in the script.

The censors, whose approval is required for the film to be shot here and will be needed for its release in Vietnam, are extraordinarily sensitive, the Americans say, to the way prostitution, supposedly a relic of Vietnam's decadent past, is portrayed.

They also fretted about whether the ailing monk in the story, who lives near a pagoda that rises out of the center of a small pond and writes poetry, could somehow be a sneaky allusion to President Ho Chi Minh, who lived in a similar place in Hanoi until he died in 1969.

But both director and producers take a philosophical view about official interference, which has seldom been heavy-handed.

"The way I look at it, we're in a Communist country and we have to obey the rules," Kliot said. "Some of the things we have to worry about in the United States are just as annoying: the constant legal censorship, for instance," he added, explaining that the script originally called the street boy Mickey Mouse.

"We can't use that because of copyright problems," Kliot said.

"We can't put him in a Superman cape in one scene because Warner Brothers owns the Superman rights and said no. Woody Woodpecker is Universal, so that's O.K. But Tony has to alter his vision slightly because of legal constraints."

BOOKS

The Collector and the Killer: John Wilkes Booth's Papers

By William Booth
Washington Post Service

BEVERLY HILLS, California — The collector resides in a hillside mansion of dynastic wealth, so tastefully fortified and perfumed with roses, so big and bright, that it takes a moment to remember that one's business here is a dark obsession. But it is a golden morning, and the security force is pleasant about buzzing the guest through the electronic gate, to meet the collector who has amassed the world's most extensive collection of artifacts belonging to the man who shot President Lincoln in the back of the head.

She is Louise Taper, and her collection forms the core of a new book, titled "Right or Wrong, God Judge Me: The Writings of John Wilkes Booth," which was edited by Taper and John Rhodehamel, a scholar and curator at the Huntington Library. The book includes all the known writings of Booth, 70 documents, of which half have never been published before. Among them: a speech written but probably never delivered by Booth, outlining his love of the South and his white supremacist beliefs; as well as recently uncovered love letters the actor penned, at the peak of his fame, to a young woman in Boston, hidden by her after the assassination, then kept by her heirs until they sold them to Taper.

Jonathan Alcorn/The Washington Post

Louise Taper with a bust of Lincoln and a wanted poster for Booth.

Through scholarship and the documents, the book attempts to show that Booth, the first American presidential assassin (and, incidentally, no relation to this reporter), was not an isolated madman who killed in a deranged fever but a more complex and therefore disturbing character who operated with calculation and political intent. Taper did not intend to be the collector who gathered together the strands of Booth's short life. The trajectory of her obsession with Civil War objects started not with the last bloody act of America's most bloody war, but innocently, with the gushy biographical novel "Love Is Eternal," by Irving Stone, about Lincoln and Mary Todd.

Taper wanted to hold in her hands something from that era and those people. And so, more than two decades ago, she bought her first piece of Lincolniana, a little scrap of paper addressed to the attorney general and signed by the president.

In the years since, her home has become a Lincoln museum. She and her husband, Barry Taper, the scion of a Los Angeles real estate and banking fortune, now own one of the largest private collections of Lincoln artifacts.

She possesses the gloves, handkerchief and shirt stud that Lincoln wore to Ford's Theatre on the evening of his assassination. And most haunting of all, Taper acquired a cutting from Lincoln's black coat, worn on the night of April 14, 1865. "You can see, there," Taper points, "just the faintest blush of red."

She says: "I didn't want to get into the assassination." But history drew her forward. The effects of John Wilkes Booth, where are they kept?

"I don't keep him here," Taper says, sitting in the library and pouring coffee. "I keep him downstairs."

In their book, Rhodehamel and Taper confront the popular myth that Booth can be dismissed as a crazed, drunken, two-bit ham actor — or alternatively, that Booth was not even a man at all but a demon.

"John Wilkes Booth committed a monstrous act," Taper says, "but he was no monster."

He was the son of the "mad tragedian" Junius Brutus Booth, who immigrated from England to the United States, and toured the country's theaters as the foremost tragic actor in the years before the Civil War. The elder Booth, who was brilliant but also alcoholic and mentally unhinged, produced three sons who also became actors. The most accomplished was Edwin Booth, whose 100-night run of "Hamlet" in New York City in 1864 was famous.

His little brother John Wilkes was himself one of the most successful stars of his time, hailed for his athletic performances of Shakespeare, particularly his work as Richard III and, eerily, Brutus in "Julius Caesar" — the noble tyrant slayer. His sword fighting brought packed houses, in thousand-seat theaters around the nation, to their feet. The critics called him a genius, and "the most handsome man in America." His one physical flaw, one critic noted, was his height. Booth was short.

"The women would line the stage door for a glimpse of him," Taper says. Searching for a contemporary comparison, she offers, with apologies, "It was as if Brad Pitt shot Bill Clinton."

Documents relating to the matinee idol's life are extremely rare. In the hours and days after the Lincoln assassination, anyone with a connection to the actor was pursued by authorities, and his letters went up in frightened flames. Edwin Booth was almost lynched by a mob. The entire cast of "Our American Cousin," performed the night of Lincoln's fatal shooting, was detained. And so, naturally, evidence was destroyed by those who were associated with the assassin.

Taper came to the game of collecting with the right ingredients: her second husband's wealth and her highly acquisitive nature. But the Booth material is dark and unsettling, and morbidly riveting.

"In the North, I'm the Lincoln lady," Taper says of her collections. "But in the South, I'm the Booth lady."

PEOPLE

A BRITISH parliamentary committee on Wednesday accused the officials of the Royal Opera House of mismanagement and suggested that the government should take over and appoint a "philistine" with financial skills to replace them. The House of Commons Culture, Media and Sport Committee accused the board of "disastrous misjudgments" in failing to find an alternative venue for the opera and ballet during the two years while the Covent Garden theater is revamped. Some of the harshest criticism fell on **Mary Allen**, the Arts Council's former secretary general who was appointed chief executive of the opera house last May without the post being publicly advertised. **Chris Smith**, the secretary of state for culture, has already launched an inquiry into the future of the Covent Garden building, headed by Sir **Richard Eyre**, former director of the National Theatre.

Samantha Pearse/Agence France-Presse

Gillian Wearing, the winner of the Turner Prize.

□

A judge in Cape Town on Wednesday granted **Earl Spencer** a divorce from his wife, **Victoria**, after an eight-year marriage. She will receive a lump-sum settlement of £1.8 million ($3 million), according to court documents, as well as her house in Cape Town. Lord Spencer pledged to make up any difference between the sale price of the house and £250,000, in the event that she sold the property.

□

Britain's most controversial art prize has gone to a woman video artist whose works include a 60-minute film of police officers posing in silence for a group photo. **Gillian Wearing** won the £20,000 ($33,500) Turner Prize for videos that the judges praised for their "complexity beneath an apparently simple surface." The prize has been mocked as a pretentious publicity stunt by art critics, and in 1995, media interest reached a peak when **Damien Hirst**, won the award for his carcasses of a cow and calf floating in formaldehyde.

□

Leon Fleisher, the pianist, conductor and teacher who has served as artistic director of the Tanglewood Music Center since 1984, has resigned after a lengthy, bitter dispute with **Seiji Ozawa**, the conductor of the Boston Symphony Orchestra, which runs the summer training institute for musicians in Lenox, Massachusetts. Fleisher's move follows that of the pianist **Gilbert Kalish**, who served on the faculty for nearly 28 years, 12 of them as faculty chairman. Kalish resigned his post on Oct. 29. Three other long-serving faculty members have also resigned. The center has been in turmoil since early 1996, when Ozawa abruptly dismissed its longtime administrator, **Richard Ortner**.

□

Whitney Houston's last-minute illness that kept her from singing at the World Culture and Sports Festival, sponsored by the Unification Church, will cost her $1 million, the amount she was to receive for 45 minutes of song.

□

Thirty years after performing the world's first heart transplant, the pioneering surgeon **Christiaan Barnard** says he never expected to be famous. Since Barnard performed the operation on Dec. 3, 1967, he has been the recipient of awards from around the world and able to hobnob with celebrities. A transplant museum opened Wednesday at the Groote Schuur Hospital in Cape Town, where Barnard put the heart of a road accident victim into the chest of 55-year-old **Louis Washkansky**, who lived for 18 days before his body rejected the heart.

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